

DEPARTMENT OF ENVIRONMENTAL CONSERVATION
AIR QUALITY OPERATING PERMIT
RESPONSE TO COMMENTS

Owner Name: ConocoPhillips Alaska, Inc.

Application No.: 0267

Public Comment Closing Date: December 31, 2012

Permit No. AQ0267TVP02

First Submission to EPA: October 11, 2013; withdrawn: November 1, 2013

Source Name: Kuparuk Central Production Facility #1 (CPF-1)

The public comment period for ConocoPhillips Alaska, Inc., CPF-1's operating permit, closed on December 31, 2012. Comments were received from the Permittee, ConocoPhillips Alaska, Inc., on December 31, 2012, which appear exactly as submitted by the applicant or have been modified slightly, while maintaining the original intent. This paper provides ADEC's responses to the comments.

The Department notes that the Public Notice Closing Date of December 31, 2012 reflects the *second* public notice period for this draft permit. An initial 30-day public noticing of a draft permit for this stationary source occurred and ended on September 29, 2011. Based on substantive comments received, and draft permit changes occurring, after the close of the first public notice the Department decided to re-public notice the CPF-1 draft operating permit. Further, the Department did not prepare a Response to Comments document following the conclusion of the first public notice period; instead, public comments received during the first public notice were addressed within the revised draft permit whose public notice period ended on December 31, 2012. This Response to Comments document only addresses comments received during the second public comment period.

Any revisions to the permit and Statement of Basis (SOB) made by the Department are shown with underline formatting for inserted text, while text to be deleted is shown with ~~strikeout~~ formatting.

General Comment

- 1) Typographical errors, grammatical errors, clarifying language, cross reference link errors, updates to match language used by ADEC in other recently issued North Slope Title V permit renewals – With the intent of completing our comments regarding the 2nd public notice draft CPF-1 Title V permit no. AQ0267TVP02 during the holidays as efficiently as possible and within the timeframe granted by the Department, CPAI has not had time to include in these written comments specific documentation of certain edits that fit the description stated in the heading to this comment. Having not included these types of edits in these written comments/requests does not mean that making these types of corrections is any less important to us. It simply means we believe (hope) that detailed justification for the change is unnecessary other than making this single comment to document that these types of edits are found in the RLSO markup of the permit that accompanies these comments.

Please note that some of these types of edits may be difficult to identify by a simple visual review of the RLSO markup (i.e., adding or removing punctuation, changing the text format, etc.). In order to capture all of the edits and give them proper consideration as to the appropriateness of each such requested change, we ask that ADEC use the “change search” feature of Word to electronically search for and identify all changes included in the RLSO markup of the draft permit.

Response from the Alaska Department of Environment Conservation (ADEC): ADEC acknowledges that certain typographical, clarifying, and cross-referencing updates were included in the RLSO (red-line-strikeout) versions of the permit submitted by the commenter that may not have been explicitly included in the written comments. ADEC has provided ample review opportunities to the Permittee during the entirety of the preparation of this permit. Where these changes have been accepted, ADEC has undertaken to make note of this within this response to comment document either with an associated comment or at the end of the document.

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- 2) **Removal of EU ID 21 from the permit** – EU ID 21 has been removed from service and physically removed from the CPF-1 production pad. The status for EU ID 21 was communicated to Dr. Lawrence Bowman of ADEC by email dated 9/14/11 and was reiterated in our comments provided to ADEC on 10/31/11 for the first public notice draft version of the CPF-1 TVP02 permit. ADEC removed this unit from Table A (Emission Unit Inventory), but did not remove references to the unit from the remainder of the 2nd public notice draft CPF-1 permit.

We request that ADEC remove this emission unit and any reference to this unit from the entire permit and Statement of Basis. However, we also ask that ADEC please retain the row in permit Table A with a note indicating that this unit has been taken out of service.

Our RLSO edits to the 2nd public notice draft permit that accompanies these comments reflect this request.

Response from ADEC: Through ex parte discussions with the applicant October 4, 2013, ADEC confirmed that the GM Detroit Allison Water Booster Pump (EU ID 21) has been abandoned in place. ADEC removed the emission unit from Table A – Emission Unit Inventory, and added a table footnote regarding that unit since it is still on-site. Further, EU ID 21 is added to Statement of Basis (SOB) Table J (formerly Table P) – Emission Inventory Revisions, along with an explanation of the reason for this revision for purposes of clarity.

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- 3) **Unregulated/Uncontrolled Produced Water Tank VOC/HAP emissions and Updated NESHAP Rule Applicability Determinations** - We have yet to settle upon what we consider to be a reasonably accurate method of determining the VOC/ HAP emissions that result from operation of the uncontrolled produced water tanks at the stationary source. There are two such tanks at CPF-1 (tag nos. T-2201 and T-2202), each with a capacity of 222,000 gallons. These tanks are not subject to any regulatory requirements.

At this time, we believe that the HAP emissions from these tanks may be sufficiently high to result in classification of CPF-1 as a HAP-major source for purposes of Title V permitting as defined under 40 CFR 71.2 as it pertains to Section 112 of the Clean Air Act as “any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit, in the aggregate, 10 tpy or more of any hazardous air pollutant or 25 tpy or more of any combination of such hazardous air pollutants (taking into account only emissions from operations at the production pad since well site emissions are not aggregated for purposes of this determination for sources in the oil & gas industry). Therefore, we have included several requested permit changes that change the declared classification of the CPF-1 source from an area source of HAP emissions to a HAP-major source for purposes of Title V permit applicability.

Having said this, it is also important to recognize that many of the NESHAP rules in 40 CFR 63 that potentially apply to the CPF-1 source include their own definition of which emission units at a “production field facility” (PFF) such as the CPF-1 are to be included when determining whether the source is considered a major source of HAP emissions for purposes of that specific rule. We present below an updated applicability determination for selected NESHAP rules. Updated HAP emissions estimates to support these determinations are provided as an attachment to these comments.

NESHAP Applicability Determinations

NESHAP Rule	PFF emissions used to determine major source status under the rule	PFF emissions estimated for CPF-1 (tpy)	Applicability Determination
Subpart HH (Oil & Gas NESHAP)	Glycol dehydration units and storage vessels	29.4	Subpart HH now has both major source and area source provisions. <u>Neither the major source nor the area source provisions of Subpart HH apply to CPF-1</u> because CPF-1 exclusively processes, stores, or transfers “black oil” (defined in the rule as a petroleum liquid with an initial producing gas-to-oil ratio (GOR) less than 1,750 scf/bbl and an API gravity less than 40 degrees). Therefore, <u>the black oil exemption applies</u> .
Subpart EEEE (Organic Liquid Distribution NESHAP)	All HAP-emission units	51.8	<u>Subpart EEEE does not apply</u> . CPF-1 is an oil and natural gas production field facility as the term “facility” is defined in 40 C.F.R. 63.761 of 40 C.F.R. 63, Subpart HH. Organic liquid distribution (OLD) operations do not include the activities and equipment used to process, store, or transfer organic liquids at oil and natural gas production field facilities. [40 C.F.R. 63.2334(c)(1)]
Subpart YYYY (Turbine NESHAP)	Glycol dehydration units, storage vessels with the potential for flash emissions ¹ , combustion turbines and reciprocating internal combustion engines.	13.6	CPF-1 is not a major source of HAP emissions as defined under this rule for an oil and natural gas production field facility as the term “facility” is defined in 40 C.F.R. 63.761 of 40 C.F.R. 63, Subpart HH.

NESHAP Rule	PFF emissions used to determine major source status under the rule	PFF emissions estimated for CPF-1 (tpy)	Applicability Determination
Subpart ZZZZ (Reciprocating Internal Combustion Engine [RICE] NESHAP)	Glycol dehydration units, storage vessels with the potential for flash emissions ¹ , combustion turbines and reciprocating internal combustion engines	13.6	CPF-1 is not a major source of HAP emissions as defined under this rule for an oil and natural gas production field facility as the term “facility” is defined in 40 C.F.R. 63.761 of 40 C.F.R. 63, Subpart HH. Therefore, the area source provisions of the rule apply to RICE in operation at CPF-1.
Subpart DDDDD (Major Source Boiler and Process Heater NESHAP)	Glycol dehydration units and storage vessels with the potential for flash emissions. ^{1, 2}	0.0	CPF-1 is not a major source of HAP emissions as defined under this rule for an oil and natural gas production field facility as the term “facility” is defined in 40 C.F.R. 63.761 of 40 C.F.R. 63, Subpart HH.
Subpart JJJJJ (Area Source Boiler NESHAP)	Glycol dehydration units and storage vessels with the potential for flash emissions. ^{1, 2}	0.0	There are no emission units at CPF-1 that meet the definition of a “boiler” as defined in 40 C.F.R. 63.11237. Therefore, <u>there are no affected units at CPF-1.</u>

Table Notes:

- 1) There are no storage vessels with the potential for flash emissions located at CPF-1.
- 2) It is our understanding that EPA intends to revise Subpart DDDDD to change the definition of a major source under Subpart DDDDD to match the definition that was found in the rule prior to March 21, 2011. We have used the pre-2011 definition in this table to assess Subpart DDDDD applicability to CPF-1.

Response from ADEC:

Part 112(a) of the Clean Air Act (CAA) defines a major source of Hazardous Air Pollutants (HAPs) as follows:

“The term ‘major source’ means any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit considering controls, in the aggregate, 10 tons per year or more of any hazardous air pollutant or 25 tons per year or more of any combination of hazardous air pollutant. The Administrator may establish a lesser quantity, or in the case of radionuclides different criteria, for a major source than that specified in the previous sentence, on the basis of the potency of the air pollutant, persistence, potential for bioaccumulation, other characteristics of the air pollutant, or other relevant factors.”

Part 112(n)(4)(A) of the CAA provides other provisions specific to oil and gas wells as follows:

“Notwithstanding the provisions of subsection (a), emissions from any oil or gas exploration or production well (with its associated equipment) and emissions from any pipeline compressor or pump station shall not be aggregated with emissions from other similar units, whether or not such units are in a contiguous area or under common control, to determine whether such units or stations are major sources, and in the case of any oil or gas exploration or production well (with its associated equipment), such emissions shall not be aggregated for any purpose under this section”

This NESHAP major source definition is also incorporated in 40 C.F.R. 63.2 Subpart A, General Provisions and 40 C.F.R Part 71.2 (Federal Operating Permit Programs (Definitions)), which is the basis of this permit.

As stated on the Title Page of draft Operating Permit AQ0267TVP02, the Kuparuk Central Production Facility #1 (CPF-1) (i.e., stationary source) is defined as the surface structures and their associated permanent emission units located on the CPF-1 production pad and Kuparuk Drill Sites 1A, 1B, 1C, 1D, 1E, 1F, 1G, 1J, 1L, 1Q, 1R, and 1Y. CPAI has stated in Comment 3) that the combined HAP emissions from the CPF-1 stationary source are greater than 25 tons per year, exclusive of the Drill Sites' HAP emissions. Therefore CPF-1 is considered a major source under Title III of the CAA (see Comment 103) total PTE HAPs is 51.8 tons/year for CPF-1 production pad emission units only).

Part 112(c)(6) of the CAA requires that the EPA publish and regularly update (at least every 8 years) a listing of all categories and subcategories of major and area sources that emit HAPs. The EPA published the initial list of "source categories" in 1992 (57FR31576, July 16, 1992) and since that time has issued several revisions and updates to the list and promulgation schedule. The 1990 Clean Air Act Amendments direct EPA to set standards for all major sources of air toxics and some area sources that are of particular concern. With regard to this Comment 3), there are activities at the CPF-1 production pad that fall within the following Part 112 listed source categories:

- *Gasoline Dispensing Facilities*
- *Oil and Natural Gas Production*
- *Industrial Boilers*
- *Institutional/Commercial Boilers*
- *Stationary Internal Combustion Engines.*

The following 40 C.F.R. 63 MACT standards have been established by EPA for the source categories listed above:

- *NESHAP Subpart CCCCCC: Gasoline Dispensing Facilities Area Sources*
- *NESHAP Subpart HH: Oil and Natural Gas Production*
- *NESHAP Subpart EEEE: Organic Liquids Distribution (Non-Gasoline)*
- *NESHAP Subpart YYYY: Stationary Combustion Turbines*
- *NESHAP Subpart ZZZZ: Stationary Reciprocating Internal Combustion Engines*
- *NESHAP Subpart DDDDD: Industrial, Commercial, and Institutional Boilers and Process Heaters*
- *NESHAP Subpart JJJJJJ: Industrial, Commercial, and Institutional Boilers Area Sources*

ADEC has reviewed the NESHAP non-applicability determinations provided by the commenter for Subparts HH, EEEE, YYYY, ZZZZ, DDDDD, and JJJJJJ. The commenter has indicated the equipment specified by the respective rule that is required to be considered for HAP emission rate determination purposes (production field facility); the corresponding

HAP emission rate for that collection of affected equipment; and a concise statement regarding rule non-applicability. ADEC has reviewed this information, and provides the following additional explanation for greater review clarity.

The commenter has identified 40 C.F.R. 63, Subpart HH, the Oil & Gas NESHAP, as a potentially applicable rule. Per 40 C.F.R. 63.760(a)(1) (Applicability) the determination of whether a facility is a major or area HAP source under Subpart HH is based on the major source definition in 40 C.F.R.63.761. As defined at 40 C.F.R.63.761, a major source “...shall have the same meaning as in § 63.2, except that...[f]or facilities that are production field facilities, only HAP emissions from glycol dehydration units and storage vessels shall be aggregated for a major source determination. For facilities that are not production field facilities, HAP emissions from all HAP emission units shall be aggregated for a major source determination.”

Per 40 C.F.R. 63.760(b)(1), the affected sources for a major source includes glycol dehydration units, storage vessels with the potential for flash emissions, all ancillary equipment, except compressors, intended to operate in volatile hazardous air pollutant service (as defined in §63.761), which are located at natural gas processing plants, and compressors intended to operate in volatile hazardous air pollutant service, which are located at natural gas processing plants. For the specifically identified equipment subject to the applicability provision of Subpart HH, the commenter has determined CPF-1 to be a major source. This notwithstanding, under 40 C.F.R. 63.760(e)(1) (Exemptions), a facility that exclusively processes, stores, or transfers black oil is not subject to the requirements of this subpart. The Permittee has stated that CPF-1 exclusively processes, stores, or transfers “black oil¹” as defined in 40 C.F.R. 63.761 and therefore, except for the requirement to maintain records as required in 40 C.F.R.63.10(b)(3), Subpart HH does not apply to this stationary source.

NESHAP Subpart EEEE applies to organic liquids distribution (OLD) (non-gasoline) operations at major sources of HAP emissions except, pursuant to 40 C.F.R. 63.2334 (C)(1), OLD operations do not include the activities and equipment, including product loading racks, used to process, store, or transfer organic liquids at oil and natural gas production field facilities, as the term “facility” is defined in 40 C.F.R. 63.761 of Subpart HH (i.e., “...any grouping of equipment where hydrocarbon liquids are processed, upgraded (i.e., remove impurities or other constituents to meet contract specifications), or stored prior to the point of custody transfer; ...[and f]or the purpose of a major source determination, facility (including a building, structure, or installation) means oil and natural gas production and processing equipment that is located within the boundaries of an individual surface site as defined in this section...”). CPF-1 contains an oil and natural gas production field facility as defined under NESHAP Subpart HH. As such, while total source (production field facility) HAP emissions are approximately 52 tons/year, the related facility activities and equipment are not considered OLD operations. Therefore, CPF-1 is a HAP major source under the Clean Air Act Section 112(a) and (j), but is not subject to Subpart EEEE.

The NESHAP for Stationary Combustion Turbines, Subpart YYYY, applies to stationary combustion turbines located at a major source of HAP emissions. 40 C.F.R. 63.6085(b)

¹ Black oil means hydrocarbon (petroleum) liquid with an initial producing gas-to-oil ratio (GOR) less than 0.31 cubic meters per liter and an API gravity less than 40 degrees.

defines a major source with specific differences from CAA Section 112. For Subpart YYY, the determination of whether this source is a major source for combustion turbines is based upon the Subpart YYY definition of major source at 40 C.F.R. 63.6175, as follows:

Major source, as used in this subpart, shall have the same meaning as in § 63.2, except that:

- (1) Emissions from any oil or gas exploration or production well (with its associated equipment (as defined in this section)) and emissions from any pipeline compressor station or pump station shall not be aggregated with emissions from other similar units, to determine whether such emission points or stations are major sources, even when emission points are in a contiguous area or under common control;
- (2) For oil and gas production facilities, emissions from processes, operations, or equipment that are not part of the same oil and gas production facility, as defined in this section, shall not be aggregated;
- (3) For production field facilities, only HAP emissions from glycol dehydration units, storage vessel with the potential for flash emissions, combustion turbines and reciprocating internal combustion engines shall be aggregated for a major source determination; and
- (4) Emissions from processes, operations, and equipment that are not part of the same natural gas transmission and storage facility, as defined in this section, shall not be aggregated.

In accordance with the Subpart YYY major source determination provision above, the combined potential to emit of HAPs from glycol dehydration units, storage vessel with the potential for flash emissions, combustion turbines and reciprocating internal combustion engines at the CPF-1 production field facility is 13.6 tons per year and no single HAP at or above 10 tons per year. As such, Subpart YYY does not apply to the combustion turbines.

Further, §63.6090(b) (Subcategories with limited requirements), specifies “[e]xisting stationary combustion turbines in all subcategories do not have to meet the requirements of this subpart and of subpart A of this part. No initial notification is necessary for any existing stationary combustion turbine, even if a new or reconstructed turbine in the same category would require an initial notification.” Except for EU IDs 1, 2 and 3, all turbines at CPF-1 are existing units (i.e., commenced construction or reconstruction on or before January 14, 2003).

EU IDs 1, 2 and 3 are considered new stationary combustion turbines pursuant to §63.6090(a)(2). Rule requirements would not apply to such units located on the North Slope of Alaska, except for the initial notification requirements if at a Subpart YYY Major Source. Therefore, since the oil field production facility at CPF-1 is not a Subpart YYY major source, then, the requirements of NESHAP Subpart YYY are not included in the CPF-1 permit.

NESHAP Subpart ZZZZ establishes national emission limitations and operating limitations for HAPs emitted from stationary reciprocating internal combustion engines (RICE) located at major and area sources of HAP emissions. The determination of whether RICE are subject to area source or major source NESHAP is based on the Subpart ZZZZ definition of major source at 40 C.F.R. 63.6675, as follows:

Major Source, as used in this subpart, shall have the same meaning as in § 63.2, except that:

- (1) Emissions from any oil or gas exploration or production well (with its associated equipment (as defined in this section)) and emissions from any pipeline compressor station or pump station shall not be aggregated with emissions from other similar units, to determine whether such emission points or stations are major sources, even when emission points are in a contiguous area or under common control;

- (2) For oil and gas production facilities, emissions from processes, operations, or equipment that are not part of the same oil and gas production facility, as defined in § 63.1271 of subpart HHH of this part, shall not be aggregated;
- (3) For production field facilities, only HAP emissions from glycol dehydration units, storage vessel with the potential for flash emissions, combustion turbines and reciprocating internal combustion engines shall be aggregated for a major source determination; and
- (4) Emissions from processes, operations, and equipment that are not part of the same natural gas transmission and storage facility, as defined in § 63.1271 of subpart HHH of this part, shall not be aggregated.

In accordance with the Subpart ZZZZ major source determination provision above, the combined potential to emit of HAPs from glycol dehydration units, storage vessel with the potential for flash emissions, combustion turbines and reciprocating internal combustion engines at the CPF-1 production field facility is 13.6 tons per year and no single HAP at or above 10 tons per year. As such, under NESHAP Subpart ZZZZ the applicable area source requirements are found in this permit.

NESHAP Subpart DDDDD establishes national emission limitations and work practice standards for HAPs emitted from industrial, commercial, and institutional boilers and process heaters located at major sources of HAP emissions. 40 C.F.R. 63.7485 states that a source is subject to this subpart if an affected unit is located at, or is part of, a major source consistent with §63.2 (i.e., CAA Section 112) or consistent with §63.761 (Subpart HH NESHAP for Oil and Natural Gas Production Facilities), except as specified in §63.7491. The determination of whether boilers and process heaters are subject to major source provisions is based on the Subpart DDDDD definition of major source at 40 C.F.R. 63.7575, as follows:

Major source for oil and natural gas production facilities, as used in this subpart, shall have the same meaning as in § 63.2, except that:

- (1) Emissions from any oil or gas exploration or production well (with its associated equipment, as defined in this section), and emissions from any pipeline compressor station or pump station shall not be aggregated with emissions from other similar units to determine whether such emission points or stations are major sources, even when emission points are in a contiguous area or under common control;
- (2) Emissions from processes, operations, or equipment that are not part of the same facility, as defined in this section, shall not be aggregated; and
- (3) For facilities that are production field facilities, only HAP emissions from glycol dehydration units and storage vessels with the potential for flash emissions shall be aggregated for a major source determination. For facilities that are not production field facilities, HAP emissions from all HAP emission units shall be aggregated for a major source determination.

In accordance with the Subpart DDDDD major source determination provision above, the combined potential to emit of HAPs from glycol dehydration units and storage vessel with the potential for flash emissions at the CPF-1 production field facility is negligible. As such under NESHAP Subpart DDDDD there are no applicable major source requirements in this permit.

Consequently, if the boilers and process heaters do not meet the major source definition then we must examine whether there are any applicable area source provisions under the applicable standard, NESHAPPS Subpart JJJJJ.

NESHAP Subpart JJJJJJ establishes national emission limitations and work practice standards for HAPs emitted from industrial, commercial, and institutional boilers as defined in 40 C.F.R. 63.11237 located at area sources of HAP emissions. The commenter has stated that there are no NESHAP Subpart JJJJJJ affected units at CPF-1 because no emission units meet the definition of a “boiler” as defined in 40 C.F.R. 63.11237. A “boiler” for the purposes of Subpart JJJJJJ is defined as “Boiler means an enclosed device using controlled flame combustion and having the primary purpose of recovering thermal energy in the form of steam or hot water.” The drill site heaters and production heaters do not meet this definition in their method of operation. As such, the requirements of 40 C.F.R. 63, Subpart JJJJJJ, the Area Source Boiler NESHAP, were not included in the draft permit.

The Table G – Permit Shields Granted of the permit was revised to include the NESHAP applicability determinations for the NESHAP Subparts HH, EEEE, YYYY, ZZZZ, DDDDD, and JJJJJJ.

NESHAP Subpart CCCCCC was included in the public notice draft permit for EU ID 67, the Mobile Gasoline Storage/Dispensing Tank. This subpart establishes national emission limitations and management practices for HAPs emitted from the loading of gasoline storage tanks at gasoline dispensing facilities (GDF), but only at area sources. This subpart also establishes requirements to demonstrate compliance with the emission limitations and management practices. The affected source to which this subpart applies is each GDF that is located at an area source of HAP emissions. The affected source includes each gasoline cargo tank during the delivery of product to a GDF and also includes each storage tank. While the NESHAP Subparts discussed above have specific major source determination methods resulting in non-applicability determinations, Subpart CCCCCC has no similar rule-specific provisions. As such, based on the revised HAP emissions submitted by CPAI, CPF-1 is a major source of HAP emissions (in accordance with Section 112 and §63.2) and is no longer subject to Subpart CCCCCC. The requirements of Subpart CCCCCC found in draft permit Condition 54, and the entirety of Conditions 63 through 66 have been removed from the permit.

- 4) **NSPS Subpart OOOO Applicability Determination** - We request that the Department include the following statement in the CPF-1 Title V permit shield (Table G of the PN draft permit) with respect to NSPS Subpart OOOO. The statement below constitutes our applicability determination for NSPS Subpart OOOO (Oil and Gas NSPS) for CPF-1.

“There have been no affected sources constructed, reconstructed, or modified at CPF-1 after the August 23, 2011 applicable date of the rule as given in 40 CFR 60.5365.”

Response from ADEC: *ADEC has denied this request as an inappropriate forum to request a new shield. CPAI did not identify Subpart OOOO as a potentially applicable requirement nor did CPAI request a Subpart OOOO shield in their application. See 40 CFR 71.6f(1)(ii). Adding a new shield request and determination after public comment and outside the application is inconsistent with the procedures and due processes associated with renewing an operating permit. Since this request was not part of the renewal application, ADEC also did not list this Subpart in the Statement of Basis’ shield denial table.*

Comments on Permit

- 5) Revise the permit cover page, 6th paragraph as shown –

“All applicable stationary source-specific terms and conditions of Permit to Operate No. 9373-AA004 (that have not been revised by permit No. 267CPT01), Air Quality Control Construction Permit ~~No-Nos~~ 267CPT01 and 9773-AC016 (Rev. 1), and Minor Source Specific Permit Nos. AQ0267MSS02, AQ0267MSS03, and AQ0267MSS04 have been incorporated into this Operating Permit.”

Basis: 1) Much of Permit to Operate no. 9373-AA004 was replaced by permit no. 267CPT01, but there are still portions of the permit to operate that are cited as the basis for conditions found in the Operating Permit, so it should be listed here.

However, its inclusion should be qualified as suggested above since permit 267CPT01 revised much of permit 9373-AA004.

- 2) There are applicable provisions of construction permit no. 9773-AC016 that are cited as the basis for conditions found in the Operating Permit, so it should be listed here.

Response from ADEC: ADEC agrees with the requested revision and has added the suggested text to the cover page of the permit. ADEC also added the clause “all currently applicable” to the first line of the preamble text as some terms of permits have been updated or are now obsolete.

- 6) Remove “Union Oil Company of California” and its address from the **list of owners in Section 1**. Add the address for Chevron U.S.A. Inc. as shown here and in the RLISO markup of the permit.

“P.O. Box 36666
Houston, TX 77236”

Response from ADEC: Section 1 of the permit was revised as requested by the commenter to reflect the current owners of CPF-1 and include the address for Chevron U.S.A. Inc.

- 7) Make the following revisions to **Table A – Emission Units Inventory:**

Table A - Emission Units Inventory

	Emission Unit Tag no.	Emission Unit Description ⁽²⁾	Rating/Size	Commence Construction/Startup/Modification Date ⁽¹⁾
		<...>		
Group III – Liquid Fuel-Fired Equipment				
		< >		
	P-CL04-ECC	Abandoned in place (out of service) <u>Removed from source</u>	215 hp	--

	Emission Unit Tag no.	Emission Unit Description ⁽²⁾	Rating/Size	Commence Construction/Startup/Modification Date ⁽¹⁾
		<...>		
	P-1L02	GM Detroit Allison Freeze Protection Pump (1L), Model 70838083 -7000	300 hp	1981 ⁽³⁾
	P-1Q02	GM Detroit Allison Freeze Protection Pump (1Q), Model 70838083 -7000	300 hp	1981 ⁽³⁾
	P-1R02	GM Detroit Allison Freeze Protection Pump (1R), Model 70838083 -7000	300 hp	1981 ⁽³⁾
	P-1Y02	GM Detroit Allison Freeze Protection Pump (1Y), Model 70838083 -7000	300 hp	1981 ⁽³⁾
Group IV – Flares				
	H-101B	McGill Emergency Flare	1.6 Mscf/day (Pilot/Purge /Assist) Combined Total for all flares	10/1981
	H-KF01	Kaldair I-58-VS Emergency Flare/Control Device (<u>LP</u>)		1991
	H-KF02	Kaldair I-87-FS Emergency Flare (<u>HP</u>)		1991
<...>				
Group VI - Other Equipment (Drill Site Heaters & <u>Drill Site Production Heaters</u>)				
		<...>		
Group XI – DS1R IC Engines				
		<...>		
	KS5010-1	Kubota Model V4701- BG1 -VG1 Non-emergency <u>Standby</u> Generator	70 hp (50 kW)	1999
<...>				

	Emission Unit Tag no.	Emission Unit Description ⁽²⁾	Rating/Size	Commence Construction/Startup/Modification Date ⁽¹⁾
<p>1. Date construction commenced (if known) or the startup date of the unit. If a unit has been modified as defined by AS 46.14.990, then the most recent modification date is provided. Relocation of drill site heaters does not constitute a modification. See the Statement of Basis for information regarding the GE Frame 3 turbine modification history.</p> <p>2. Units identified as “dual fired” are plumbed to run on liquid fuel in an emergency.</p> <p>3. The year of manufacture for this unit is from manufacturer’s records provided by ADEC to the Permittee.</p> <p>4. The “start-up” date for the portable flare is estimated as the date that permit no. AQ0267MSS01 was issued. This is the first permit to authorize use of this emission unit at DS1E/DS1J.</p>				

[18 AAC 50.040(j)(3) & 50.326(a)]
[40 C.F.R. 71.5(c)(3)(4) & (2)]

Basis: 1) With respect to adding “Drill Site Production Heaters” to the title of Group VI – we would like to distinguish production heaters EU IDs 42, 46, and 47 separately from the older group of drill site line heaters because the fuel consumption monitoring requirement is different for these three units compared to the other drill site heaters. See our Comment 37) regarding draft permit Condition 21.1b.

2) With respect to removing Note 4 in its entirety, the portable flare (EU ID 34) has been removed from Table A and the entire permit as a result of the DS1E/1J “sunset” request (permit AQ0267MSS02) submitted to ADEC by letter dated March 5, 2012.

Response from ADEC: ADEC agrees with the commenter that the edits would improve clarity and remove the portable flare unit no longer covered under this permit. The permit was revised as requested by the commenter, except as it relates to EU ID 21. As noted in Comment 2), EU ID 21 was removed from service and abandoned-in-place. Therefore, in response to Comment 2) ADEC removed EU ID 21 from Table A – Emission Unit Inventory, added a footnote to Table A, and added to Table J (formerly Table P) – Emission Inventory Revisions. All other changes to Table A – Emission Units Inventory were made as suggested by the commenter for descriptive accuracy.

- 8) Revise **Conditions 1.2 and 1.3** as follows, delete **Condition 1.5**, and remove the reference to Condition 1.5 from **Condition 3**.

“1.2. For each of EU IDs 19, 20, 22 through 28, 64 and 65, as long as the calendar year operating time or fuel consumption of the emission unit does not exceed the respective threshold in Table B, monitoring shall consist of an annual certification of compliance with the visible emissions standard in accordance with Condition 33.4.a.99.”

1.3. If any of EU IDs 19, 20, 22 through 28, 64 or 65 operates (total emergency and non-emergency hours) for more than the number of hours or consumes more than the number of gallons shown in Table B in one calendar year, monitor, record, and report visible emissions for that emission unit in accordance with Conditions 3 through 5.”

Basis: 1) EU ID 21 has been removed from service and need not / should not be referenced by the permit any longer.

2) We believe the permit requirement to periodically monitor EU IDs 64 and 65 using Method 9 regardless of their IEU status is unwarranted and that instead a threshold fuel consumption rate should be included in the permit. We ask that ADEC provide a threshold in Table B of the permit for EU IDs 64 and 65 that triggers Method 9 monitoring for these units in a manner that is similar to the thresholds that are listed for EU IDs 19, 20, and 22 through 28. In so doing, Condition 1.5 of the permit should be deleted along with the changes requested here for Conditions 1.2 and 1.3.

3) Condition 33.4a provides the specifics of how compliance is to be determined and refers to Condition 99. In addition, the content of Condition 1.2 should match Condition 7.2.

Response from ADEC: ADEC acknowledges CPAI's request to add a significant emission unit threshold for EU IDs 64 and 65 based on fuel usage. Although the units cannot be IEUs because they are subject to federal emission standards and owner-requested limits, as long as the fuel usage for EU IDs 64 and 65 each remain below the threshold described in Comment 9), these units qualify as insignificant emission units pursuant to 18 AAC 50.326(e). Monitoring shall consist of an annual compliance certification. Accordingly, draft Condition 1.3 was revised as requested by the commenter and draft Condition 1.5 was removed from the permit. In addition, the suggested changes were made to draft permit Condition 1.2 except for the last phrase of Condition 1.2. The last phrase of Condition 1.2 was revised to reference both the insignificant emission unit certification of compliance found in draft Condition 33.4 and the Annual Compliance Certification condition found in draft Condition 99. ADEC also revised draft Condition 1 for clarity and to correct typographical errors.

- 9) Revise **Table B** as follows to document the fuel consumption threshold above which EU IDs 64 and 65 no longer have insignificant emissions.

Table B - Significant Emission Unit Thresholds

EU ID	Number of Hours per Calendar Year
19	150
<...>	<...>
28	430
<u>64</u>	<u>8350 gallons fuel</u>
<u>65</u>	<u>8350 gallons fuel</u>

Basis: Each of EU IDs 64 and 65 has insignificant emissions as long its annual fuel consumption rate remains below 8350 gallons. ADEC can confirm this value by scaling the NOx emissions for EU IDs 64 and 65 as presented in the updated criteria pollutant emissions estimates for the source attached to these comments down to 2.0 tpy and determining the corresponding fuel consumption rate that results in emissions that are just below 2.0 tpy NOx. (Note: NOx is the pollutant that first triggers a non-IEU threshold for these units.)

Response from ADEC: Consistent with the change ADEC granted for Comment 8), Table B of the draft permit has been revised to include fuel use thresholds for EU IDs 64 and 65. For clarity, the heading on Table B has been changed from “Number of Hours per Calendar Year” to “Number of Hours or Gallons Fuel per Calendar Year”. In addition, each Table B threshold limit has been revised to include units of either hours or gallons of fuel.

The summary table presented below reflects the pollutant emission rates corresponding to an 8350 gallon fuel usage in either of EU ID 64 or 65, and the pollutant emission rates are below the respective insignificant emission rate thresholds of 18 AAC 50.326(e).

NOX	CO	SO2	PM	VOC
EMISSIONS tons/yr	EMISSIONS tons/yr	EMISSIONS tons/yr	EMISSIONS tons/yr	EMISSIONS tons/yr
1.949	0.123	0.143	0.075	0.061

10) Revise **Condition 3** as follows:

“3. Visible Emissions Monitoring. When required by Condition 1.3 ~~or 1.5~~, or if any liquid fuel fired unit listed in Condition 1.3 is replaced during the permit term, the Permittee shall observe the exhaust of liquid fuel-fired emission units, EU IDs 19, 20, 22 - 28, 64 and 65 for visible emissions...”

Basis: Our proposed changes to this condition clarify that only liquid fuel-fired emission units with the potential to have significant emissions will be required to conduct Method 9 monitoring upon replacement.

Response from ADEC: The permit was revised as requested by the commenter for clarity and to accurately reflect the liquid fuel fired emission units. ADEC also corrected the formatting of draft Condition 3.1.

Also see additional discussion relating to Condition 3.1 at response to Comment 22).

11) Revise **Condition 4.1** as follows:

“4.1 When using the Method 9 Plan of ~~Conditions 2.1 or 3.1~~ Condition 2.1, 3.1 or 15.3, the observer shall record.”

Basis: Draft permit Condition 15.3 references draft permit Conditions 4 and 5 and includes Method 9 monitoring provisions. Therefore, draft permit Condition 15.3 should also be referenced here.

Response from ADEC: ADEC accepted the change a request to correctly cross-reference the conditions requiring Method 9 monitoring. ADEC also corrected the typographical error in draft Condition 4.3.

12) Revise **Condition 5** as follows:

“5. **Visible Emissions Reporting.** When Method 9 monitoring is conducted under ~~Conditions 2.1 and 3.1~~ Condition 2.1, 3, or 15.3, the Permittee shall report visible emissions as follows:

5.1 <...>

b. <...>

(iii) dates when one or more observed six-minute averages were greater than 20 percent;

(iv) dates when one or more observed six-minute averages were greater than the 10 percent BACT opacity limit under Condition 19 for EU ID 36;

c. a summary of any monitoring or recordkeeping required under ~~Conditions 2.1 or 3~~ Condition 2.1, 2.2, 3, 15.3, or 15.4. ~~that was not done or recordkeeping required under Condition 44 that was not done.~~

5.2 ...

b. For EU ID 36, the results of Method 9 observations that exceed an average of 10 percent opacity for any six-minute period per the BACT opacity limit in Condition 19; and

~~b.c.~~ if any monitoring under ~~Conditions 2.1 or 3~~ Condition 2.1, 3, or 15.3 was not performed...”

Basis: 1) **Re: Conditions 5 and 5.2c edits** - draft permit Condition 15.3 references draft permit Conditions 4 and 5 and includes Method 9 monitoring provisions. Therefore, draft permit Condition 15.3 should also be referenced by Conditions 5 and 5.2c.

2) **Re: Conditions 5.1b(iv) and 5.2b (new condition) edits** – Condition 19.3 says to monitor, record, and report visible emissions according to Conditions 2.1 and 2.2 to demonstrate compliance with the 10% opacity BACT limit that applies to EU ID 36. Condition 2.2 says to record and report according to Conditions 4 and 5. As such, Conditions 5.1 and 5.2 should address appropriate reporting (operating report and EE/PD reporting) with regard to the 10% opacity limit that applies to EU ID 36.

3) **Re: Condition 5.1c edits** – Conditions 2.2, 15.3, and 15.4 should be added to the list of referenced conditions because they contain visible emissions monitoring or recordkeeping requirements and/or they refer to Condition 5. Also, the reference to Condition 44 by this draft permit condition is incorrect and should be deleted. (Condition 44 pertains to NSPS Subpart Dc, which is not relevant to Condition 5.1c.)

Response from ADEC: ADEC agrees with the requested revisions to draft Conditions 5, 5.1b, 5.1c, 5.2b, and 5.2c as they correctly reflect permit cross-referencing of relevant conditions. Additionally, ADEC revised Condition 5.1c to reference Condition 4 to fix a typographical error. The phrase “that was not done” was included at the end of Condition 5.1c to clarify the reporting requirement.

13) Revise **Condition 6.5** as follows:

“6.5 Report under Condition 97 whenever the ~~opacity-visible emissions~~ opacity-visible emissions standard in Condition 1 is exceeded or the monitoring required under Condition 6 is not completed.”

Basis: 1) The standard in 18 AAC 50.055(a)(1) is described in the rule as a “visible emissions standard”, not as an opacity standard.

2) A permit deviation should be reported if the required monitoring is not completed.

Response from ADEC: *The permit was revised as requested by the commenter to accurately reflect the standard in 18 AAC 50.055(a)(1) and applicable permit deviation reporting requirements.*

14) Add these appropriate citations to **Condition 7**.

“[18 AAC 50.040(j); 50.055(b)(1); 50.326(j)]
[40 C.F.R. 71.6(a)(1)]”

Response from ADEC: *ADEC accepted the change as requested to correct a typographical error.*

15) Revise **Conditions 7.2, 7.3, and 7.5** as follows:

7.2. For each of EU IDs 19, 20, 22 through 28, 64 and 65, as long as the calendar year operating time or fuel consumption of the emission unit does ~~do~~ not exceed the thresholds in Table B, monitoring shall consist of an annual certification of compliance with the particulate matter standard accordance with Condition 33.4.a.

7.3. If any of EU IDs 19, 20, 22 through 28, 64 or 65 operates (total emergency and non-emergency hours) for more than the number of hours or consumes more than the number of gallons shown in Table B in one calendar year, monitor, record, and report particulate matter emissions for that emission unit in accordance with Conditions 9 through 11.

<...>

7.5. For EU IDs ~~64, 65, and~~ 66, monitor, record, and report according to Condition 33.4 for the particulate matter standard.”

Basis: 1) See the basis to our Comment 8) and there is a typographical error in Condition 7.2.

2) EU IDs 64 and 65 should not be automatically treated as IEUs with respect to the MR&R that applies for the particulate matter standard. Instead, they should be treated in the same manner as they are under Conditions 7.2 and 7.3 as proposed here and in our Comment 8) with a fuel consumption threshold that applies.

Response from ADEC: *Consistent with the responses to Comments 8) and 9), the permit was revised as requested by the commenter to include EU IDs 64 and 65 as otherwise emission-rate insignificant emission units based on actual fuel consumption thresholds. In addition, ADEC revised Condition 7.2 to correct a typographical error and reference both the insignificant emission unit certification of compliance found in draft Condition 33.4 and the Annual Compliance Certification condition found in draft Condition 99.*

16) Revise **Condition 7.6** as follows:

“7.6 For EU IDs 29 through 33 (flares) the Permittee must annually certify compliance under Condition 100 with the particulate matter standard.”

Response from ADEC: *The permit was revised as requested by the commenter to reference the Annual Compliance Certification Condition.*

17) Revise the **header that precedes Condition 9 and Condition 9** to add a reference to EU IDs 64 and 65 and to delete the reference to EU ID 21.

Response from ADEC: ADEC accepted this change to correctly reference the emission units to be subject to PM monitoring, recordkeeping, and reporting requirements. ADEC also made grammatical revisions to draft permit Conditions 9.3 and 9.4.

18) Revise **Condition 10** as follows:

“10. Particulate Matter Recordkeeping for Dual Fuel-Fired Turbines (while firing liquid fuel) and Liquid Fuel-Fired Engines. Diesel Engines and Liquid-Fired Turbine. ...”

Basis: The heading to Condition 10 should match that used in draft permit Conditions 9 and 11.

Response from ADEC: The permit was revised as requested by the commenter for consistency.

19) Revise **Condition 11.1** as follows:

“11.1 Report under Condition 97:

- a. <...>
- b. if one of the criteria of Condition 9.2 was exceeded and the Permittee did not comply with either Condition 9.1.a or 9.1.b, This ~~this~~ must be reported by the day following the day compliance with Condition 9.1 was required; or
- c. for observations in excess of the thresholds of Condition 9.2.a or 9.2.b, within 30 days of the end of the month in which observations occur.”

Basis: 1) Our proposed change to Condition 11.1b will clarify the condition. When considering the benefit of this change, read the entire condition, begin with the introductory text in Condition 11.1 tied directly to the language of Condition 11.1b with and without the change in sentence structure we have requested.

2) The addition of Condition 11.1.c reflects the corrected version of Standard Permit Condition IX.11.2.

Response from ADEC: Condition 11.1b of the draft permit was revised as requested by the commenter to fix a typographical error. Condition 11.1c was inadvertently omitted from the draft permit and was added to the permit in accordance with Standard Permit Condition IX.11.2.

20) Revise the **Condition 12 citations** as follows:

“[18 AAC 50.040(j)50.050(b), 50.326(j), & 50.346(c)]
[40 C.F.R. 71.6(a)(3)(i) & (c)(6)]”

Basis: These citations should be the same as those for draft permit Conditions 9, 10 and 11. Furthermore, the incinerator PM limit of 18 AAC 50.050(b) is found in draft permit Condition 8, not in Condition 12, so that limit should not be included with the Condition 12 citation.

Response from ADEC: ADEC accepted the changes as requested to correct for the appropriate citations.

21) Revise **Condition 14.2** as follows:

“14.2. Report as excess emissions, in accordance with Condition 97, any time the results of a source test for PM ~~exceeds~~exceed the PM emission limit...”

Basis: Grammatically, the sentence should read as, “anytime the results...exceed...”

Response from ADEC: *The permit was revised as requested by the commenter to fix a grammatical error.*

22) Revise **Condition 15.2** as follows:

“15.2 For any of EU IDs 4 through 9, 12, 13, and 15, notify the Department and begin monitoring the affected emission unit according to Condition 15.3 no later than ~~30~~45 days after...”

Basis: We request that the deadline in this condition be changed from 30 days to 45 days in order to match the deadline for conducting Method 9 observations when triggered under draft permit Condition 3.1a(ii), which is 45 days. We see no reason to have a more stringent deadline for dual fired units than is required for liquid fuel fired engines.

Response from ADEC: *ADEC has reviewed the required timeline to commence monitoring according to draft permit Conditions 3.1a(ii) and 15.2. Pursuant to Standard Permit Condition (SPC) IX, when the respective criteria for monitoring are exceeded, the Permittee is required to begin monitoring within 30 days after the calendar month (Condition 3.1.a(ii)) and no later than 15 days after the end of a calendar month (Condition 15.2). The public notice permit Condition 3.1(a)(ii) and Condition 15.2 are inconsistent with the standard permit conditions and inconsistent with the public notice statement of basis factual basis for using non-standard conditions. There is no support for delaying the onset of visible emission monitoring from the standard condition in either the statement of basis, or in this response to comments. Therefore, we are denying the request to change Condition 15.2 to 45 days; and we are revising both Condition 3.1a(ii) and 15.2 in the draft final decision consistent with the public notice statement of basis and standard permit condition timelines.*

23) Revise the heading preceding Condition 16 as well as the sub headings within the condition.

“Sulfur Compound Emissions Standards Requirements and MR&R

...

Monitoring and Reporting for North Slope Liquid Fuel ~~EU IDs 4 through 9, 12, 13, 15, and 19 through 28, 64, and 65~~

~~e.—Monitoring and Reporting for Other Fuel Oil (EU IDs 4 through 9, 12, 13, 15, and 19 through 28, 64, and 65)~~

Monitoring, Recordkeeping, and Reporting for Fuel Gas⁵ ~~(EU IDs 1 through 18, and 35 through 50)~~”

Basis: 1) The first requested edit more accurately describes the makeup of Condition 16.

2) Regarding the removal of EU IDs from the sub-headings, the qualification is unnecessary since the MR&R applies to the fuel, not the emissions unit. The permit is more globally applicable if this is not included. (**Note:** the second sub-heading was incorrectly formatted in the permit and marked as Condition 16.1.e.)

Response from ADEC: The Condition 16 heading was revised as requested for accuracy. The requested changes to the subheadings were not revised as requested, as such detail provides for greater clarity in terms of the affected emission units per fuel type.

24) Revise **Condition 16.2** as follows:

“16.2 **Other Fuel Oil:** For liquid fuel obtained from a third-party supplier, the Permittee shall ~~do~~ take one or more of the following steps outlined in Conditions 16.2.a and 16.2.b.”

Basis: We request this change because we believe it clarifies that the required monitoring and recordkeeping steps are presented independently by Conditions 16.2a and 16.2b.

Response from ADEC: The permit was revised as requested by the commenter for clarity.

25) Change the referenced fuel sulfur content in **Conditions 16.2a(i), 16.2a(ii), and 16.4b(ii)** from 0.15 percent to 0.5 percent.

Basis: The value of 0.15 percent sulfur was inserted into these conditions by the Department because a fuel sulfur content limit applied to certain emission units at the source, making such a reference reasonable. However, the limit applied only to emission units 58 through 63 involved with developmental drilling operations. These units and permit terms and conditions associated with developmental drilling operations at DS1E/ DS1J have been removed from the permit, so the value of 0.15 percent sulfur in liquid fuel no longer has any relevance to CPF-1. As such, we request that ADEC use the value of 0.5 percent sulfur in these conditions, which is the default value found in Standard Permit Condition XI.

Response from ADEC: The 0.15 percent fuel sulfur threshold in draft permit Conditions 16.2a(i), 16.2a(ii), 16.4b(ii) has been changed to 0.5 percent to reflect the sunset of Minor Permit No. AQ0267MSS02 Condition 15, based on the March 6, 2012 submittal by the Permittee, and to conform with Standard Permit Condition XI.

26) Revise **Condition 16.5.a** as follows:

“a. **Monitoring.** ~~The Permittee shall:~~”

Basis: This lead-in language should be deleted because it is not grammatically correct when tied into sub-conditions 16.5a(i), 16.5a(ii), and 16.5a(iii).

Response from ADEC: ADEC accepted the change as request to correct a grammatical error.

27) Revise Condition 16.5a(iii) as follows:

“(iii) For emission units using the same fuel gas combusted by EU ID ~~30-16~~, compliance monitoring may use records available from the EU ID ~~30-16~~ H₂S CEMS to demonstrate compliance with Condition 16.”

Basis: There are two H₂S CEMS in operation at CPF-1. The one that measures the H₂S content of the fuel gas burned by other emission units at CPF-1 is the one that is associated with EU ID 16, not EU ID 30.

Response from ADEC: The permit was revised as requested by the commenter to reference the H₂S CEMS associated with EU ID 16 instead of EU ID 30.

28) **Condition 17, notes for Table C** – Taking into consideration the justification outlined below, we request that the notes coinciding with Table C be written as follows:

- A. All short term NOx emission limits refer to full load, ISO conditions.
- B. All other short term emission limits refer to full load, standard conditions.

Basis: ADEC has removed notes 1 and 2 from Table 2 of permit AQ0267TVP01 upon carrying forward the table as Table C of the draft TVP02 permit. ADEC has also revised note 3 of the same table. CPAI agrees that note 1 (“All emission limitations are annual average unless otherwise noted”) was a meaningless note since the table clearly identifies short-term and annual emission limits, so it is acceptable to delete note 1. However, notes 2 and 3 (“**All turbine emission limits for NOx refer to full load, ISO conditions**” and “**All other [turbine] emission limits refer to full load, standard conditions**”, respectively), were stated in previous permits with applicable requirements carried forward to the CPF-1 Title V operating permit. This language is found in the second paragraph of Exhibit B of Permit-to-Operate no. 9373-AA004 and construction permit no. 267CPT01. The language in construction permit 267CPT01 is still applicable and enforceable and is cited by draft TVP02 permit Condition 17. Removing the footnotes from Table C of the TVP02 permit makes the limits in the TVP02 permit inconsistent with those that are stated in Condition 4 and Exhibit B of construction permit 267CPT01.

Basis: The limits in Table C were originally set by EPA PSD permit no. PSD-X82-01. As documented during the permit hygiene process in 1997, the EPA BACT emission limits were originally set in the early 1980s based on AP-42 emission factors that were in place at the time EPA issued the PSD permit. It was, in fact, changes to AP-42 emission factors between the early 1980s and the mid-1990s that was an important consideration taken into account when EPA made revisions to the BACT limits as documented in the 1997 EPA PSD permit hygiene action. AP-42 Chapter 3.1 states, “The emission factors for this section are presented for gas turbines operating under high load [>80% load] conditions.”

As stated above, the qualifier pertaining to the BACT limits has been in place for the turbines since ADEC included it in permits to operate for the source over 20 years ago and for heaters since the construction permit 267CPT01 was issued nearly 10 years ago. That language has been the basis for our compliance status since the original operating and construction permit applications were submitted 15 years ago in 1997.

We believe it is not appropriate for ADEC to assume that the full load, ISO correction provision shown in notes 2 and 3 of permit no. AQ0267TVP01 Table 2 is not applicable. The notes were placed into the permit as a result of Title I permitting actions and are substantial. It is thus inappropriate to remove them in a Title V action. We thus request that ADEC retain the wording of notes 2 and 3 of Table 2 in permit no. AQ0267TVP01 and apply them to Table C in permit no. AQ0267TVP02, with slight revisions for clarity as justified below.

It would also be helpful, for clarification, if the notes were specific as to how standard conditions are defined. The NOx short term emissions are based on sea level, 59°F, 60 percent relative humidity (ISO conditions) per NSPS Subpart GG. The condition

basis is different than the lb/MMBtu calculation procedure called out in RM 19 where the standard conditions refer to just 14.7 psia and 68°F.

Response from ADEC: *As noted by the commenter, the Condition 17 and Table C BACT limits for NO_x, SO₂, CO, PM, Opacity, and VOC were established by the EPA in PSD Permit No. PSD-X82-01. On December 29, 1981, EPA Region 10 issued PSD permit number PSD-X82-01 to ARCO Alaska, Inc. for construction of new equipment at four Kuparuk facilities, including CPF-1 Turbines EU IDs 1-3 and 8-13. EPA twice administratively approved equipment lists under this PSD permit, once on March 23, 1983, and a second time on June 13, 1984. EPA on October 7, 1997 and October 27, 2003 issued revisions to the EPA PSD permit. Attachment 1 to PSD Permit No. PSD-X82-01, as amended October 27, 2003, contains unit-specific BACT limits but does not include the table notes requested by the commenter. The table notes requested by the commenter are found in ADEC Construction Permit No. AQ0267CPT01 (Exhibit B) issued April 23, 2003, prior to EPA's October 27, 2003 PSD permit amendment. Between October 2013 and January 2014, ADEC held ex-parte' discussions with BPXA regarding such footnotes at the request of BPXA, another North Slope producer with extensive oil and gas production facilities at Prudhoe Bay. EPA concurrently permitted Prudhoe Bay project changes under PSD, and subject to analogous requirements. The Department chosen to re-instate CPAI's BACT footnotes as requested above for the same rationale as that to be used in BPXA's pending Prudhoe Bay operating permit actions of the same time period, and to defer to EPA if EPA objects to these additional footnotes.*

Additionally, the Department added Footnote 5 consistent with that planned for the BPXA's pending Prudhoe Bay operating permits, to state the BACT requirement to operate the units using good combustion practices as a requirement stated in the Bonnie Thie letter from EPA of March 28, 1997 regarding BPX's Prudhoe Bay Field PSD BACT determination for CO and PM. The Department added monitoring to this applicable requirement by adding Condition 17.7 to state the requirement to keep records demonstrating that the units fired were operated with good combustion practices. The 1997 letter also spelled out that BACT required use of pipeline quality natural gas for Prudhoe Bay. However, certain turbine emission units at the Kuparuk CPF-1 are dual-fueled. Although CPAI infrequently operates these units on fuel oil, they were configured and may operate on liquid fuels.

The Department included additional notes at the bottom of Table C to clarify the basis of these specified emission limits. ADEC also revised the citation following Condition 17 to reference the latest amendment date for PSD-X82-01 as follows:

[Federal Kuparuk River Unit PSD Permit No. PSD-X82-01, as amended ~~10/7/97~~ 10/27/03]

29) Revise **Condition 17.6a** as follows:

"a. Conduct testing at the maximum achievable load that represents full load operation for that unit at the time of the test. To determine the CO emission rate..."

Basis: Our requested revision is to clarify the "maximum achievable load" testing in the context of what is achievable during a particular test. This is dictated by the process limitations at the time of the test in cases where heat load sharing is not possible (i.e., where there is no alternate source of heat from another process heater). This is the

same reason why testing at multiple loads is not possible for CPF-1 heaters, which do not have any backup heaters to provide heat at the process dictated rate while another heater is being tested.

Response from ADEC: *Based on the potential physical operating constraints that might occur for the affected emission units during a given period of testing, as described by the commenter, ADEC has revised the condition as follows. The language requested by the commenter for removal is instead retained; and the new language requested for insertion has been accepted. ADEC believes the totality of this condition revision provides the Permittee the ability to evaluate the applicable maximum capacity of the affected equipment at the time of each test. Should the affected emission unit not otherwise be able to meet a full-load, full maximum capacity condition at the time of the test, the condition nonetheless still requires the test be conducted at the maximum capacity achieved during the test period. The Permittee should identify the maximum anticipated operating capacity that can be achieved for that unit at the time of that test within the test plan submitted pursuant to draft Condition 89.*

30) Revise Condition 17.6.b(ii) as follows:

“(ii) Test a unit in the same group within 12 months after any turbine in the group exceeds ~~exceeding~~ 400 hours of run time in any 12-month period ending after the effective date of this permit if a test has not been completed on any representative unit of the turbine group during the previous 4 years. Substituting test data among turbines operated by the Permittee at stationary sources located at the Kuparuk River Unit is allowed if the Permittee documents the intent to perform substitute testing for multiple turbines and meets all other requirements of Conditions 48.2.b(i) through 48.2.b(iii) as they apply to CO testing. ~~Condition 47.2.b.~~”

Basis: 1) We ask that ADEC modify these conditions as shown to further clarify the intent of the conditions and the permit in general to allow substitute test data to represent the results of the affected turbines if the substitute tests have been done according to the requirements stated in Conditions 47.1b(i) through (iii) of the permit (to become Conditions 48.1b(i) through (iii) upon implementation of our requested permit revisions). As written, the language of these conditions could be interpreted to not allow representative testing of units located at other facilities because the condition defines the turbine groups that apply to CPF-1 and later refers to the turbine group testing without specifically providing for substitution of tests from turbines at other facilities.

2) The change proposed at the end of Condition 17.6b(ii) is intended to bypass the language of draft permit Condition 47.1b (to become Condition 48.1b), which refers to an allowance for substitute source testing completed using methods that apply to measuring NO_x emissions. If Condition 47.1b is included in the reference, the permit could be interpreted to mean that substitute source testing for CO emissions is not allowed. We believe this is not ADEC's intention. The change we propose here will make the language of this condition match that used in Condition 22.2b of BPXA Lisburne Production Center permit no. AQ0272TVP02 (but with additional clarification by adding the phrase “as they apply to CO testing”) as well as the Condition 10.6b of the BPXA Flow Station #1 permit (AQ0167TVP02) and provides a clear allowance for conducting substitute turbine testing of CO emissions as well as NO_x.

Response from ADEC: Draft permit Condition 17.6.b(ii) was revised consistent with the underlying basis of the commenter request to clarify that the substitute source testing requirements apply to CO test results and conform with other Title V permits containing similar stationary source requirements recently issued by ADEC. Department text includes minor language changes intended to clarify the request.

31) **Table D note** – change note 1 of Table D to read as follows per note 2 of Table 3 in permit no. AQ0267TVP01 and our Comment 28).

“1) All short-term emission limits refer to full load, standard conditions”

Basis: Like the EPA PSD permit turbine BACT emission limits, the EPA PSD permit heater BACT emission limits are based on AP-42 emission factors, which we believe are based on high load/full load operation of heaters. Furthermore, the AP-42 factors were used to determine the BACT ton-per-year emissions. Most importantly, the full-load provisions were created in a Title I permitting action and their removal would be very substantial, as discussed in our Comment 28) above. As such, it is inappropriate for ADEC to assume that the full load provision shown in Table 3 of permit no. AQ0267TVP01 is not applicable and to remove it in this Title V action.

Response from ADEC: ADEC does not have authority to change BACT limits established by another permitting agency. Construction Permit actions to change terms and conditions of previous permits to operate apply only to State permitting decisions. Therefore, CPAI should present their concern regarding EPA PSD decisions to EPA. Additionally, unlike CPAI’s turbine BACT/AP-42 quote, CPAI provided no reference to AP-42 emission factors and high load/full load operation of heaters. As such, this comment merely speculates upon the permitting agency intent. Also, specific to EU ID 16, Permit Condition 26 prohibits heater ID 16 from operating at the design capacity listed in Table A. Notwithstanding the above discussion, in response to Comment 28), ADEC agrees to re-establish the Table Note as set out in the expiring operating permit. Additional relevant discussion regarding Federal BACT Table notes is also provided in response to Comment 28).

32) Revise Condition 18.4 and delete Condition 18.5 as follows:

“18.4 The Permittee shall perform a NO_x and CO source test on EU IDs 16, 39, 40, 48, and 49 and a representative unit of EU IDs 37, 38, 41, and 45, and a representative unit of EU IDs 43, 44, and 50 to demonstrate compliance with the short-term BACT NO_x and CO emission limits in Table D as follows:

- a. Conduct testing at a single load that ~~represent~~ is representative of normal operations for that unit. To determine the NO_x and CO emission rates, measure NO_x, CO and O₂ in accordance with Methods 7E, 10 and 3A, respectively. Use Method 19 to convert NO_x and CO emission concentrations to emission rates. Perform and submit the results of the source test in accordance with Section 6.
- b. Test a heater within 12 months after the heater exceeds 400 hours of run time in any 12-month period ending after the effective date of this permit if a test has not been completed on that heater during the previous 4 years. Substitute testing may be completed on any representative heater in the same heater group to satisfy this requirement as allowed under Condition 18.4.e.
- ~~b. The test shall be conducted:~~
 - ~~(i) within 5 years of the latest performance test, or~~

- ~~(ii) within 1 year of the effective date of this permit if the latest source test occurred greater than four years prior to the effective date of this permit and the heater operated 400 hours or more in any 12 month period ending within 6 months before the permit effective date of this permit, or~~
 - ~~(iii) Within 1 year after operating 400 hours or more in a 12 month period if the last source test occurred less than 4 years prior to operation over the 400 hour threshold at any time during the permit term.~~
- c. The Permittee shall provide a copy of the NO_x and CO source test report to the Department, within 60 days after completing the source test.
- d. Update the emission factor in Section 13 and use the new emission factor value in subsequent calculations under Condition 18.1.
- ~~e.e.~~ For each heater in Condition 18 with test results that are greater than 90 percent of the applicable short-term NO_x or CO emission limits ...
 - (i) conduct an additional Method 7E or Method 10 and Method 3A test on that emission unit...
 - (ii) develop a monitoring program for each heater described in Condition 18.4.c using a portable ~~CO or O₂~~ analyzer capable of measuring NO_x, CO and O₂. The Permittee shall submit a monitoring plan to ~~ADEC~~ the Department for approval describing ...
- f. For any heater subject to Condition 18 that will operate less than 400 hours in any 12 consecutive months, keep monthly records of the hours of operation.
- ~~g.d.~~ The Permittee may substitute NO_x and CO emissions data from another representative heater operated by the Permittee at any stationary source located in the Kuparuk River Unit if: the Permittee demonstrates that test results from the representative heater are less than or equal to 90 percent of the applicable emission limits and are projected to be less than or equal to 90 percent of the applicable limits at a load that is representative of normal operations for that unit. Submit a substitution request containing the information listed in Condition 47.2.b(ii)(C) as it applies to heaters with the emission source test plan. If substituting data from a previous test, submit the substitution request no later than 30 days before the required test deadline.
 - (i) the Permittee demonstrates that test results are less than or equal to 90 percent of the applicable emission limits in Condition 18 and 20, and are projected to be less than or equal to 90 percent of the applicable limits at maximum achievable load;
 - (ii) for any source test done after the effective date of this permit, the Permittee identifies in a source test plan under Condition 89:
 - (A) the heater to be tested;
 - (B) the other heaters in the group that are to be represented by the test; and
 - (C) why the heater to be tested is representative, including that each heater in the group
 - (1) is located at a stationary source operated and maintained by the Permittee;
 - (2) is the same make and model and has identical burners;
 - (3) uses the same fuel type from the same supply origin.
- h. In each operating report under Condition 98 for each heater for which Condition 18.4 has not been satisfied because the heater normally operates less than 400 hours in any 12 consecutive months, the Permittee shall identify

- Basis:* 1) **Re: the entire structure of Conditions 18.4 and 18.5** - We propose to remove from draft permit Condition 18.5 the reference to the turbine Subpart GG NOx monitoring, reporting, and recordkeeping requirements in Condition 47 as a surrogate for heater source testing MR&R and instead incorporate the equivalent MR&R requirements directly into Condition 18.4, thereby combining the NOx and CO testing requirements into one condition that pertains specifically to heaters.

2) **Re: Condition 18.4b** - We believe the more concise and clear language found in draft permit Condition 17.6b(ii) regarding the required frequency of source testing can be used in place of the more verbose and confusing language of draft permit Condition 18.4b. Our proposed new version of Condition 18.4b is based on the language of draft permit Condition 17.6b(ii), but with appropriate changes pertaining to heater source testing.

4) **Re: draft permit Condition 18.4d (shown as Condition 18.4g above) -** As written, the language of draft permit Condition 18.4d could be interpreted to not

allow representative testing of units located at other facilities because Condition 18.4 defines the heater groups that apply to CPF-1 and later refers to the heater group testing without specifically providing for substitution of tests from representative heaters at other facilities. For example, if a drill site heaters at CPF-2 and CPF-1 meet the criteria for substitution of testing (i.e., same heater make and burner rating, and each operated by CPAI), then we request, for example, that the permit allow test results for a CPF-2 drill site heater be considered representative of emissions from a CPF-1 drill site heater and vice versa. Therefore, we request the addition of the phrase that refers to all Kuparuk sources as shown above to clarify this allowance.

5) Re: draft permit Conditions 18.4e and 18.4f - we propose to move them to become new Conditions 18.4c and 18.4d. This improves the flow of the condition so that MR&R associated with the routine testing is kept together, followed by the discussion pertaining to increase testing frequency requirements and then testing substitution.

Response from ADEC: Although efforts have been made streamline the BACT heater NO_x testing by citing NSPS Subpart GG NO_x testing requirements, ADEC agrees that modifying turbine testing requirements to apply such requirement to the heaters can cause confusion. Therefore, ADEC agrees to make changes to Conditions 18.4c through 18.4f and 18.5 to present the CO and NO_x testing requirements specific to heaters within a single dedicated condition.

ADEC agrees that the testing frequency requirements found in draft Condition 18.4b should be simplified. Therefore the condition has been revised as presented in the draft final permit to be consistent with the testing frequency requirements found in draft permit Condition 17.6b, as well as the language found in Condition 11.2 of Title V operating permit for BPXA Flow Station #1 (AQ0167TVP02). Due to the numerous changes that CPAI proposed, ADEC draft final permit condition is not repeated here.

ADEC also revised the citation following Condition 18 to reference the latest amendment date to PSD-X82-01 as follows:

[Federal Kuparuk River Unit PSD Permit No. PSD-X82-01, as amended ~~10/7/97~~ 10/27/03]

33) Revise Conditions 19.3 and 19.5 as follows:

“19.3 Monitor, record and report visible emissions in accordance with ~~Condition 2~~ Conditions 2.1 and 2.2 to demonstrate compliance with the opacity limit in Table E.

<...>

19.5 Monitor, ~~record, and report~~ and record particulate matter emissions in accordance with Conditions 12, and 13 ~~and 14~~.”

Basis: 1) Condition 2 is the SIP opacity limit. Condition 19.3 should instead refer to the MR&R found in Conditions 2.1 and 2.2 since that is the context of Condition 19.3.

2) We do not believe it is necessary to include in draft permit Condition 19.5 a reference to the reporting requirements of draft permit Condition 14 because the reporting requirements are addressed elsewhere in the sub-conditions to Condition 19. For example, reporting of results will occur per the requirements of Section 6 as

directed by draft permit Condition 19.4 and excess emissions reporting is required under draft permit Condition 19.6. In addition, the excess emissions reporting in draft permit Condition 14 applies to the SIP limit in 18 AAC 50.050(b), but that limit does not apply to EU ID 36, which is the unit of record for draft permit Condition 19. Instead, the reporting requirements should be specific to the test results that demonstrate compliance with the BACT limits that apply to EU ID 36.

Response from ADEC: ADEC revised Condition 19.3 to reference the applicable visible emissions MR&R sub-conditions as suggested by the commenter rather than to the fuel burning equipment emission standard because that standard does not match the Incinerator BACT limit in Condition 14 and Table E.

For Condition 19.5, ADEC agrees that reporting under Condition 14.2 would be incorrect, as it specifically applies to the incinerator SIP limit in 18 AAC 50.050(b) which is not applicable to EU ID 36 because EU ID 36 has a design waste charging rate of only 900 lb/hour. As such, ADEC agrees with the commenter to remove the cross-reference to Condition 14 as requested. ADEC now includes an operating report requirement similar to Condition 14.1 as Condition 19.6. ADEC also revised the citation following Condition 19 to reference the latest PSD-X82-01 amendment date as follows:

[Federal Kuparuk River Unit PSD Permit No. PSD-X82-01, as amended ~~10/7/97~~ 10/27/03]

34) Revise Conditions 20.2 and 20.3 as follows:

“20.2. Conduct an emission source test on EU ID 14 following 40 C.F.R. 60, Appendix A-7, Method 20 or Method 7E and either Method 3 or 3A following another protocol approved by the Department to demonstrate compliance with the applicable short-term BACT NOX emission limit in Table F no less than once every two years.

<...>

20.3. For EU ID 17, monitor, record, and report in accordance with Condition ~~18.447.2 through 47.4 as these conditions apply to heaters~~ to demonstrate compliance with the short-term BACT NOx emission limit in Table F that applies to EU ID 17.”

Basis: 1) **Re: Condition 20.2** - we ask that ADEC add the option of using Method 7E with either Method 3 or Method 3A as allowable methods to complete the turbine NOx testing for EU ID 14. We note that draft permit Condition 47 allows for the use of Method 7E for turbine NOx testing and we suggest that the testing for turbine EU ID 14 should include the same allowance. Method 20 has been revised and streamlined to refer to Method 7E for measurements, so our proposal does not provide any new allowances for the testing.

2) **Re: Condition 20.3** - as we proposed per our Comment 32), Basis #1, we also propose to refer to Condition 18.4 here as the condition that contains the applicable heater source testing MR&R instead of Condition 47.

Response from ADEC: Condition 20.2 of the draft permit was revised as requested by the commenter to provide for test method consistency used to demonstrate compliance with the short-term BACT NOx limit for turbine EU ID 14. Consistent with response to Comment 32), Condition 20.3 was revised as requested by the commenter to refer to Condition 18.4.

35) Correct the **citation following Condition 20.4** as follows to correct a typographical error.

“[Air Quality Control Construction Permit ~~9773AC016~~ 9773-AC016 rev. 1, 6/27/01]”

Response from ADEC: ADEC accepted the change as requested to correct the indicated typographical error.

36) Correct the citations following Conditions 21 and 22 as follows:

“[Permit to Operate 9373-AA004 (Rev 1), 5/11/93 1/3/97]”

Basis: The appropriate version of permit no. 9373-AA004 to cite is the most recent revision, which is Revision 1, issued 1/3/97.

Response from ADEC: The permit was revised as requested by the commenter to cite the correct permit revision and date.

37) Revise Conditions 21.1b and c as shown.

“b. heaters and drill site heaters (EU IDs 15 - 18, and ~~37 — 50~~ 37 - 41, 43 - 45, and 48 - 50 combined),

c. liquid fuel-fired equipment (EU IDs 19, 20, 22 - 28 combined),”

Basis: Fuel consumption by each of EU IDs 42, 46, and 47 is required to be tracked under Condition 21.1f. Therefore, their fuel use should not be double counted in the combined fuel consumption total for the other heaters.

Response from ADEC: The permit was revised as requested by the commenter to eliminate fuel consumption double counting of EU IDs 42, 46 and 47. For Condition 21.1b, see response to Comment 2) regarding EU ID 21 edit basis and decision.

38) Delete the emission unit ID numbers found in **Condition 21.2**.

Basis: This information is unnecessary and does not add any clarity while increasing the chance for errors in the permit.

Response from ADEC: The permit was revised as requested by the commenter to streamline the condition and reduce redundancy. ADEC also corrected a typographical error of the word “Conditions” in draft permit Condition 22.4.

39) Revise **Condition 24** as follows –

“~~24.~~ If the Permittee elects to install a replacement of diesel fuel fired EU ID 64 or 65 ~~with electric pump equipment~~, provide contemporaneous written notice to the Department of initial startup of a replacement unit. Such notice shall include:

24.1. <...>

24.2. <...>

24.3. Include copies of the notifications and records required by ~~Condition~~ Conditions 24.1 and 24.2 with the next operating report as described in Condition 98 ~~for the period covered by the report.~~”

Basis: 1) The phrase “with electric pump equipment” is not found in the minor permit from which this condition was carried forward (permit no. AQ0267MSS03, Conditions 1.2 and 1.3). Converting to electric motors will cause a reduction in emissions that does not require a notification. Removal from the list of emission units can be accomplished with an off-permit notification or administrative permit amendment application.

2) The superscript “5” is not associated with a footnote or endnote and appears to be a typographical error.

3) Delete the phrase “for the period covered by the report” from Condition 24.3. The notification required by this condition is not required to be done on a regular periodic schedule. Including this commonly used phrase in this condition suggests otherwise.

Response from ADEC: CPAI indicated to ADEC during January 2012 that they may replace these diesel fuel fired pump engines with electric pump equipment in the future. This notwithstanding, the notification requirement of Permit AQ0267MSS03, Conditions 1.2 and 1.3 applies to any replacement of EU IDs 64 and 65, not just to replacement with electric pump equipment. Therefore, the permit was revised as requested by the commenter to correct typographical errors and provide consistency with Permit AQ0267MSS03. ADEC also corrected a typographical error in the first citation following Condition 24.3. Finally, Permit AQ0267MSS03, Condition 1.2 contained footnote 1 (“Initial startup means when an emission unit is first fired.”), ADEC intended to carry forward the Minor Permit footnote as footnote “5” in the draft renewal operating permit; however, the corresponding text of the footnote was inadvertently omitted from the draft operating permit. ADEC has added footnote number 5 (now footnote 7) text into the draft final permit.

40) Delete the first citation following Conditions 31 and 32.

Basis: The citation should not refer to an expired permit. Permit 267TVP01 expires upon issuance of permit AQ0267TVP02. Instead the Statement of Basis should include a statement indicating how the ORLs came to be included in the permit. See, for example, our requested revisions to the Statement of Basis language associated with these conditions per our Comment 144).

Response from ADEC: In accordance with 40 C.F.R. 71.6(i), ADEC cited Permit No. 267TVP01 as the basis to establish the unit specific owner requested limits (ORLs) for rule avoidance as provided in the regulations for the permit program at the time that AQ267TVP01 was issued. Those regulations have since been rescinded. The underlying basis for these owner requests is embodied within the expiring operating permit. However, the renewal permit will carry forward the ORL. ADEC’s treatment of this citation is no different than that for citing permit to operate conditions. The regulations under which ADEC issued those permits lapsed in January, 1997. However, those permits were the basis for creating owner requested limits carried forward into operating permits and renewals.

41) Add the following new header before Condition 32:

“ORL to Limit Incinerator Charging Rate”

Basis: We ask that ADEC add this header to better distinguish this ORL from the one found in draft permit Condition 31. As presented in the permit, the purpose of this ORL is unclear. (We have provided an improved description of the reason for this ORL in proposed changes pertaining to the Condition 32 Statement of Basis language in our Comment 145).)

Response from ADEC: The ORL header was added before draft permit Condition 32 as suggested by the commenter for clarity. Further explanation for the revision is also added to the SOB, per the historical perspective provided by the commenter (see also response to Comment 145).

42) Revise **Condition 33.4d** as follows:

“d. No other monitoring, recordkeeping or reporting is required, except as provided in Conditions 1.2, 7.2 ~~7.5~~, 16.1, and 16.2.”

Basis: The reference to Condition 7.5 is not necessary because Condition 7.5 says to complete MR&R according to Condition 33.4. There is no “other MR&R” stated in Condition 7.5.

Response from ADEC: ADEC accepted the suggest change to remove the circular cross-referenced conditions.

43) Revise the header before Condition 34 as follows:

“**Emission Units Subject to Federal NESHAP and NSPS, Subpart A**”

Basis: 1) There are provisions of 40 CFR 61, Subpart A that are applicable because the mercury NESHAP in 40 CFR 61, Subpart E applies to EU IDs 35 and 36 (see draft permit Condition 53).

2) The applicable provisions of 40 CFR 61, Subpart A are interspersed in this permit among the typical NSPS Subpart A provisions. Therefore, the heading should be changed to reflect the fact that there are certain Part 61 NESHAP, Subpart A provisions included in this section of the permit.

Response from ADEC: ADEC acknowledges the basis for this request. However, ADEC believes including “NESHAP” in the header will cause confusion regarding the conditions of this section since almost all conditions pertain to 40 C.F.R. 60, Subpart A; and since “NESHAP” can apply to 40 C.F.R. 61 and 40 C.F.R. 63. As such, ADEC has not revised the header as requested, but has instead moved the several NESHAPS conditions that had referred to 40 C.F.R. 61 to precede draft Condition 53 (now as Condition 54).

44) Revise **Condition 34.1** as follows:

“34.1 the date that construction or reconstruction of an affected facility is commenced ~~commences~~ postmarked no later than 30 days after such date”

Basis: To match the rule language in 40 C.F.R. 60.7(a)(1).

Response from ADEC: The permit was revised as requested by the commenter to reflect the language found in 40 C.F.R. 60.7(a)(1).

45) Revise **Condition 34.4** as follows:

“34.4. any proposed replacement of components at an existing facility, for which the fixed capital cost of the new components exceeds 50 percent of the fixed capital cost that would be required to construct a comparable entirely new facility, postmarked 60 days (or as soon as practicable), ~~but no less than 60 days before commencement of replacement, before construction of the replacements~~ is commenced, and must include ~~and including~~ the following information:

[40 C.F.R. 60.15(d), Subpart A]”

Basis: To match the rule language in 40 C.F.R. 60.15(d).

Response from ADEC: The permit was revised as requested by the commenter to agree with the language found in 40 C.F.R. 60.15(d). ADEC also revised draft permit Condition 34.4g as follows:

...”complying with the applicable standard of performance NSPS, after”...

- 46) Revise the **2nd citation following Condition 49** to delete the date shown in the citation as follows:

“[40 C.F.R. 60.7(a) ~~7/1/07~~ & 60.15(d), Subpart A]”

Response from ADEC: ADEC is not fully clear on this comment, as we were unable to locate the citation and date referenced by the commenter. This notwithstanding, we believe the commenter was referring to the “7/1/07” date that appeared in several permit footnotes under Condition 34. As ADEC now includes the effective date of regulations on the preamble page of permit renewals, ADEC can remove effective dates from each individual federal provision incorporated by reference under 18 AAC 50.040. ADEC also notes that the date stated in the footnote is obsolete. Presently ADEC incorporates these federal regulations by reference as of October 8, 2009.

- 47) Revise Conditions 36 and 36.1a as follows:

“36 NSPS Subpart A Excess Emissions and Monitoring Systems Performance Report. Except as provided for in Condition ~~37.137~~, the Permittee shall submit to the Department and to EPA a written "excess emissions and monitoring systems performance report " (EEMSP)^{10, 11, 12} as described in this condition for EU IDs 1 through 14, 16, and 30. ~~For each period, report the type, reasons, and duration of the firing of the emergency fuel.~~ Except as provided in Condition ~~48.3.a(i)~~ 49.3.a(iii), submit the EEMSP reports to EPA semi-annually ~~postmarked by the 30th day following the end of each six month period with the summary report form as required in Condition 37.~~

36.1. Each written EEMSP report shall include the following information:

- a. For EU IDs 12 and 13, include in the report each period during which the emergency fuel exemption provided in §60.332(k) is in effect. For each period, report the type, reasons, and duration of the firing of the emergency fuel.”

Basis: 1) The exception that Condition 36 is referring to with respect to submittal of the EEMSP report is stated in Condition 37.1, which indicates that in certain circumstances the EEMSP report need not be submitted in conjunction with the “Summary Report Form” described in Condition 37.

2) Another exception is noted later in Condition 36 that pertains to not having to submit the EEMSP reports under Subpart GG if the fuel gas fired by the affected turbines meets the definition of natural gas as described by draft permit Condition 48.3a(iii) (which becomes Condition 49.3a(iii)). The draft language of Condition 36 refers to Condition 48.3a(i), which is also an exception, but that pertains to frequency and should instead be included only in draft permit Condition 37 as noted in Basis #4) below and our Comment 49).

3) ADEC created Condition 36.1a by moving the language found in Condition 36.1a from Condition 36 as previously drafted. We agree with the move, but the sentence that begins “For each period, report the type...” needs to be moved as well because it

pertains to the emergency fuel exemption.

4) **Re: the proposed new text at the conclusion of Condition 36** - note that draft permit Condition 37 outlines appropriate details pertaining to the reporting frequency. Condition 36 need not duplicate the language and should instead simply refer to Condition 37 and Condition 37 should include the specific exception regarding a change in the frequency from semi-annual to annual as allowed by the EPA-approved Custom Fuel Monitoring Schedules that apply to CPF-1.

***Response from ADEC:** Conditions 36 and 36.1 (now 37 and 37.1) were revised as suggested by the commenter to remove redundancies. Also a sentence was moved from Condition 36 to the end of Condition 36.1 to correctly reflect the intention of the requirement found in Condition 36.1a.*

48) Add the following new footnote to Condition 36.1b:

“b. The magnitude of excess emissions computed in accordance with 40 C.F.R. 60.13(h) [i.e., Condition ~~4342~~ for reports pertaining to the CEMS required under Condition ~~46.145.1~~ for Subpart J], any conversion factors used **<NEW FOOTNOTE>**, the date and time...”

<NEW FOOTNOTE>: For this permit, the requirements to report the magnitude of excess emissions and any conversion factors used apply only to the EEMSP reports submitted in association with NSPS Subpart J CEMS reporting.”

Basis: EEMSP reports are required to be submitted under this permit for multiple NSPS rules. This footnote clarifies that only the EEMSP report that coincides with Subpart J is required to provide information that relates to the CEMS and conversion factors used to change the CEMS-reported values to the units associated with the applicable limit.

***Response from ADEC:** ADEC accepted the change as requested to clarify the EEMSP reporting requirements as they pertain to NSPS Subpart J CEMS reporting.*

49) Revise **Condition 37** as follows:

“**37**....Except as otherwise specified in Conditions ~~48.3.a(i)~~ **and 48.3.a(iii)**, the report shall be submitted semi-annually, postmarked...”

Basis: Condition 48.3.a(iii) also contains an exemption from reporting that should be referenced in Condition 37. The exemption in Condition 48.3a(i) pertains to the annual frequency of reporting as allowed by the Custom Fuel Monitoring Schedule compared to the standard rule-required frequency of semi-annual reporting, which is given in Condition 37. Condition 48.3a(iii) indicates that no reporting is required if the fuel gas burned meets the definition of natural gas as provided under NSPS Subpart GG.

***Response from ADEC:** The permit was revised as requested in (now) Condition 38 by the commenter to correctly cite the current exemptions from reporting.*

50) Add **new Condition 39** as follows (and renumber subsequent conditions):

“39. NESHAP Subpart A Prohibited Activities. The Permittee shall not operate EU IDs 35 and 36, (subject to 40 C.F.R. 61, Subpart E, as stated in Condition 54) in violation of the standard, except under an exemption granted by the President under section 112(c)(2) of the Act.

[18 AAC 50.040(b)(1)]
[40 C.F.R. 61.05(b), Subpart A]”

Basis: This is an applicable requirement that should be carried forward from the TVP01 permit (Condition 20 in the TVP01 permit) because of the mercury NESHAP in 40 CFR 61, Subpart E that applies to EU IDs 35 and 36 (see draft permit Condition 53).

Response from ADEC: The permit was revised as requested by the commenter to incorporate the applicable requirements of 40 C.F.R. 61.05(b), Subpart A as it applies to EU IDs 35 and 36, but as draft final permit Condition 53. Also see related response to Comment 43) regarding condition placement in the permit.

51) Revise Condition 39 and its citation as follows:

“39. NSPS/NESHAP Subpart A Good Air Pollution Control Practice. At all times, including periods of startup, shutdown, and malfunction, ... Determination of whether acceptable operating and maintenance procedures are being used will be based on information available... review of operating and maintenance procedures, and inspections...

[18 AAC 50.040(a)(1)]
[40 C.F.R. 60.11(d), Subpart A & 40 C.F.R. 60.12(c), Subpart A]”

Basis: 1) This condition outlines the Part 60 (NSPS) and Part 61 (NESHAP) good air pollution control practice requirements of 40 CFR 60.11(d) and 40 CFR 61.12(c). Both requirements apply to CPF-1 and the heading to draft permit Condition 39 should reflect this point.

2) We request that the permit condition language match that of 40 CFR 60.11(d) and 40 CFR 61.12(c).

3) To correct the typographical error found in the citation.

Response from ADEC: The permit was revised to fix the omission. However, the condition is not revised for the comment pertaining to the NESHAP - see response to Comment 43) regarding “NESHAP” and the related citation insertion in the permit. Also, in relation to the response to Comment 43), EU IDs 35 and 36 (incinerators) are removed from this condition since these two units are not subject to any NSPS. ADEC elected to rearrange the proposed permit to separate NSPS from NESHAPS terms. These two units are now subject to the NESHAP (40 C.F.R. 61) per draft Condition 53.

52) Revise **Condition 41** as follows:

“41.NSPS/NESHAP Subpart A Concealment of Emissions. The Permittee shall not build, erect, install, or use any article, machine, equipment or process, the use of which conceals an emission which would otherwise constitute a violation of a standard set forth in Conditions 42, 44, 45, 47, 48, 49, and 53. ...”

Basis: 1) This condition outlines the Part 60 (NSPS) and Part 61 (NESHAP) “concealment of emissions” requirements of 40 CFR 60.12 and 40 CFR 61.19. Both requirements apply to CPF-1 and the heading to draft permit Condition 41 should reflect this point.

2) We believe Condition 44 (previously Condition 43) should also be referenced here.

Response from ADEC: *ADEC agrees with the suggested revisions to draft permit Condition 41 (now Condition 42) as they reflect the true intent of the conditions. However, this condition is not revised as pertains to 40 C.F.R. 61. Please see response to Comment 43) regarding “NESHAP” and the related citation insertion in the permit. The 40 C.F.R. 61 citation is removed from the condition.*

53) Revise draft permit Footnote 14 referenced by draft permit Condition 42.3 as follows:

“¹⁴ The limit of Performance Specification 7 is to have less than $\leq \pm 5$ percent span drift or deviation for 6 out of 7 days (i.e., ≤ 5 percent span drift or deviation is allowed once per week.) The Subpart J span value is 425 mg/dscm (equivalent to 300 ppmv at 59°F) per Condition 46.1.a(i).”

Basis: 1) Our proposed changes correct and clarify the description provided in this footnote regarding the provisions of Performance Specification 7.

2) We also request that ADEC include the details of the span value that is required under Subpart J as an easy reference here. This provides additional detail to the condition that clarifies for CPAI and ADEC inspectors what the span values described in this permit should be adjusted to.

Response from ADEC: *ADEC revised the condition as requested to provide detail to the footnote.*

54) Insert **new Condition 43.3** (displayed as Condition 44.3 in the RLSO markup of the permit)

“43.3. The net heating value of the gas combusted by EU ID 30 shall be 300 Btu/scf or greater.

a. The heating value (LHV) shall be determined using ASTM D-1826, D-4891 or from a calculation method based on a semiannual gas composition analysis. The Permittee may propose to the Department alternative monitoring procedures. The alternative monitoring procedures must satisfy the underlying purpose for this monitoring.

b. The Permittee shall keep records of the initial performance test and any subsequent test(s) requested by the Department or by EPA showing the heating value of any gas or vapor vented to the flare.

[40 C.F.R. 60.18(c)(3) and (f)(3), Subpart A]
[40 C.F.R. 60.485(g)(4), (5), & (6), Subpart VV]
[40 C.F.R. 71.6(a)(3)]”

Basis: This condition spells out the applicable requirements of 40 CFR 60.18(c)(3) and (f)(3).

Response from ADEC: *ADEC revised the condition to incorporate detailed requirements of 40 CFR 60.18(c)(3) and (f)(3). ADEC also corrected typographical errors in draft permit Conditions 43 and 43.1.*

55) Insert **new Condition 43.7d** (displayed as Condition 44.8d in the RLSO markup of the permit) –

“43.7.44.8. The Permittee shall report excess emissions or permit deviations...as follows:

<...>

d. When the heating value of flared gas obtained as a result of tests conducted per Condition 44.3.a is less than 300 Btu/scf.”

Basis: Upon adding the applicable requirement pertaining to 40 CFR 60.18(c)(3) & (f)(3) per our Comment 54), it is appropriate to include a coinciding EE/PD report if applicable. Our proposed addition here is intended to serve that purpose.

Response from ADEC: *ADEC accepted the requested change to incorporate reporting requirements associated with Condition 43.8 added pursuant to response to Comment 54).*

56) Revise **Condition 43.8b** (displayed as Condition 44.9b in the RLSO markup of the permit) as follows:

“b. Copies of records required under ~~Condition~~ Conditions 43.2.a and 43.4.b for the period covered by the report. (Records of the initial performance tests required under ~~Condition~~ Conditions 44.3.b and 44.5.b~~43.4b~~ need not be included...”

Basis: Insert the cross reference to new Condition 44.3b. Upon adding the applicable requirement pertaining to 40 CFR 60.18(c)(3) & (f)(3) per our Comment 54), it is appropriate to include a coinciding operating report exemption pertaining to records that are obtained only upon request (i.e., not an ongoing monitoring requirement). Our proposed addition here is intended to serve that purpose. (The draft permit condition already includes such an exemption for the records collected under draft permit Condition 43.4b that are not collected on an ongoing basis.)

Response from ADEC: *Draft permit Condition 43.8b (now Condition 44.9b) was revised to add the cross-reference and fix typographical errors.*

57) Revise **Condition 45.1a(iii)** as follows for clarity:

“(iii) The performance evaluations under ~~40 C.F.R. 60.13(c)~~ Condition 42.2 for the H₂S monitors shall use Performance Specification 7, ...”

Basis: CPAI prefers that ADEC reference the applicable condition found in the permit and not the rule citation in order to tie permit Conditions 45.1a(iii) and 42.2 together and eliminate the possible need to refer to 40 CFR 60.13(c).

Response from ADEC: *ADEC accepted the requested change to streamline the permit requirements. ADEC agrees that draft permit Condition 42.2 contains the performance evaluation per 40 CFR 60.13(c).*

58) Correct the crosslink in **Condition 45.1b** as shown in the RLSO. There is a cross-reference correction here that is difficult to discern because of the change in numbering in this RLSO markup of the draft permit. The draft permit references Condition 43, the correct reference is draft permit Condition 42, which has become new Condition 43 in the RLSO markup.

Response from ADEC: *The crosslink was revised to correctly reference the NSPS Subpart A Monitoring condition.*

59) Revise **Condition 45.3** as follows and add a citation as shown:

“45.3 ~~Recordkeeping and Reporting.~~
<...>

[40 C.F.R. 60.105(e) and §60.107(f), Subpart J]”

Basis: There are no recordkeeping requirements specified in this condition.

Response from ADEC: ADEC revised the permit as requested for accuracy.

- 60) Revise **Condition 46** as follows to make the condition match the language found in 40 CFR 60.115a(d)(1).

“**46.** The Permittee shall only store in EU IDs 51 - 55, petroleum liquids with a Reid vapor pressure less than 6.9 kPa (1.0 psia) and maximum true ...”

Response from ADEC: ADEC revised the permit to reflect the language found in 40 CFR 60.115a(d)(1).

- 61) Revise **Condition 46.1** as follows:

“46.1 **Recordkeeping and Reporting.**”

Basis: This condition addresses recordkeeping only.

Response from ADEC: ADEC revised the permit as requested and corrected a typographical error.

- 62) Revise Condition 47.2a(i)(B) as follows

“(B) Within 1 year after operating 400 hours or more in a 12-month period if the last source test occurred greater less than 4 years prior to operation over the 400-hour threshold at any time during the permit term.”

Basis: The proposed permit contains a typographical error here. If a unit operates a sufficient amount of time in a 12-month period and it has been more than 4 years since the last test, then another test is required to be conducted within one year from that date.

Response from ADEC: ADEC corrected the typographical error in draft permit Condition 47.2a(i)(B). ADEC also revised draft permit Condition 47.2a(i)(A) as follows for clarity:

(A) Within 1 year of the effective date of this permit if the last source test occurred greater than four years prior to the effective date of this permit and the turbine operated 400 hours or more in any 12-month period ending ~~within~~ during any of the 6 months that precede before the permit effective date ~~of this permit~~, or

- 63) Revise **Condition 47.2b(i)** as follows:

“(i) the Permittee demonstrates that test results are less than or equal to 90 percent of the applicable emission limits of...”

Basis: Revision is appropriate in order to be consistent with Condition 47.2a(ii) regarding the comparison to 90 percent of the limit(s) and to add clarity. This condition is the alternative to the requirement stated in draft permit Condition 47.2a(ii) that uses >90% as the trigger. The permit needs to account for the event that test results are equal to 90% of the limit.

Response from ADEC: ADEC revised draft permit Condition 47.2b(i) (now Condition 48.2b(i)) to clarify the requirements in the event that test results are equal to 90% of the limit.

- 64) Insert **new Condition 47.2b(ii)(C)(5)** (displayed as Condition 48.2b(ii)(C)(5) in the RLSO markup of the permit) as follows:

“(5) or alternatively, the Permittee may demonstrate that emissions can be correlated for the model of turbines being tested.”

Basis: CPAI requests that ADEC include an allowance in the permit for a well-documented demonstration to be prepared and submitted to the Department to show why certain turbines should be allowed to be substituted for others from a source testing perspective in situations other than those stated in Conditions (C)(1) through (C)(4).

Response from ADEC: ADEC does not agree with the requested change. Draft permit Conditions 47.2b(ii)(C)(1)-(4) lists the characteristics of a representative turbine. The intent of the condition is to limit the applicability of substituting test data to a group of turbines that share characteristics (location, operation, make, model, and fuel) sufficient to render emissions from one representative of the emission from each turbine in the group. The proposed condition speaks to demonstrating a correlation between models of turbines. The use of the term “correlation” implies that the emissions from the proposed representative unit are not typical of the proposed group of units. There is no change to the condition due to this comment.

65) Revise **Condition 47.2c** as follows:

“c. **Load**<**BOLD TEXT**>. The Permittee shall comply with the following:”

Basis: Reformat the introductory text in **Condition 47.2c to be bold** to keep the layout consistent with other permit conditions and add lead-in language to the sub-conditions.

Response from ADEC: ADEC revised the condition to revise formatting for permit consistency.

66) Remove the references to heater source testing and to draft permit Condition 18, 18.4, and 18.5 from draft permit **Conditions 47.2c(i), 47.2c(iv)(A)(2), 47.2c(iv)(B), 47.3a, 47.3b, 47.4b, 47.4b(i), and 47.4b(iii)** in conjunction with Basis #1 to our Comment 32) to remove heater NOx source testing MR&R from this condition and consolidate those requirements into draft permit Condition 18.4 only. Details of the applicable proposed edits are shown in the RLSO markup of the permit that accompanies these comments.

Response from ADEC: ADEC removed references to heater source testing and to draft permit Conditions 18, 18.4, and 18.5 from draft permit Conditions 47.2c(i), 47.2c(iv)(A)(2), 47.2c(iv)(B), 47.3a, 47.3b, 47.4b, 47.4b(i), and 47.4b(iii). Consistent with response to Comment 32), ADEC consolidated all the heater source testing requirements into Condition 18. Also, ADEC changed the word “limit” to “Limits” in draft permit Condition 47.2(c)(iii)(A)(2) and the word “Condition” to “Conditions” in draft permit Condition 47.2(c)(v).

67) Delete **Condition 47.2c(ii)**, which requires heater source tests to be completed in 1-hour blocks, **and do not add the 1-hour block provision to Condition 18.**

Basis: The heaters affected by this condition include the crude oil heater and the drill site heaters. The crude oil heater is a direct fired design used to heat crude oil for the distillation column. Drill site heaters are bath type designs using fire tubes to transfer heat to the heat transfer medium. The drill site heaters are used to prevent liquid dropout from produced fluids flowing from the wells. The firing rate of both heater configurations is limited by and dictated by process conditions. The heaters do not have the ability to share the heat load with other equipment. Firing at rates either

higher or lower than heat load demand for any significant amount of time can result in process upsets or out-of-spec fuel. CPAI is unaware of any requirements specifying that heater test runs must be conducted over a 1-hour period. For these reasons, conducting tests at varying test loads or for extended test times may be unachievable. Therefore, if valid data can be obtained over a shorter test interval it should be allowed.

Response from ADEC: In response to Comments 32) and 66), ADEC removed the heater reference from this NSPS Subpart GG testing condition. With respect to the period of the conducted test, as required in Section 6 of the permit, the Permittee must submit a test protocol prior to the required source test, and the plan should provide discussion on anomalous unit operation conditions affecting test procedures. ADEC will evaluate the test plan for acceptability at that time.

68) Revise **Condition 49.2** as follows:

“49.2. *Open-ended Valves or Lines* - Open-ended valves or lines for the KUTP (EU ID 57) shall be equipped with a cap, blind flange, plug or a second valve (except for lines and valves in an emergency shutdown system or those lines and valves that present a safety hazard if equipped with a cap, blind flange, plug, or second valve) and shall be operated in accordance with provisions of 40 C.F.R. 60.482-6.”

Basis: This change will make draft permit Condition 49.2 match the language of 40 CFR 60.482-6.

Response from ADEC: ADEC revised draft permit Condition 49.2 (now Condition 50.2) to incorporate the language of 40 CFR 60.482-6(e).

69) **Condition 54** – ADEC has included language that applies to both NESHAP Subpart ZZZZ and NESHAP Subpart CCCCCC in this condition. We ask that ADEC separate the requirements stated in draft permit Condition 54 into two separate/ distinct conditions and associated citations as shown to clarify the permit.

“54. **NESHAPs Subpart A General Requirements.** ~~For EU IDs 19, 20, 22 through 28, and 64 through 66, the Permittee shall comply with the applicable requirements of 40 C.F.R. 63 Subpart A in accordance with the provisions for applicability of Subpart A in Table 8 to Subpart ZZZZ. For EU ID 67, comply with the applicable requirements of 40 C.F.R. 63 Subpart A in accordance with the provisions for applicability of Subpart A described in Table 3 to Subpart CCCCCC.~~

[18 AAC 50.040(c)(1); 18 AAC 50.040(j); 18 AAC 50.326(j)]

[40 C.F.R. 71.6(a)(1)]

[40 C.F.R. 63.6665 & Table 8, Subpart ZZZZ]

[40 C.F.R. 63.11130 & Table 3, Subpart CCCCCC]

[40 C.F.R. 63.1-63.15, Subpart A]

54.1 For EU IDs 19, 20, 22 through 28, and 64 through 66, the Permittee shall comply with the applicable requirements of 40 C.F.R. 63 Subpart A in accordance with the provisions for applicability of Subpart A in Table 8 to Subpart ZZZZ.

[40 C.F.R. 63.6665 & Table 8, Subpart ZZZZ]

54.2 For EU ID 67, comply with the applicable requirements of 40 C.F.R. 63 Subpart A in accordance with the provisions for applicability of Subpart A described in Table 3 to Subpart CCCCCC.

[40 C.F.R. 63.11130 & Table 3, Subpart CCCCCC]”

Response from ADEC: ADEC revised Condition 54 of the draft permit (now Condition 58) to clarify the applicability of NESHAP Subpart A as it respectively pertains to emission units subject to NESHAP Subparts ZZZZ. As mentioned above in response to Comment 3) regarding CPAI's discovery, since Kuparuk CPF-1 is MACT major, Subpart CCCCCC is not an applicable requirement to a HAP major source then ADEC removed the subpart CCCCCC text.

70) Replace the **Condition 55 citations** as noted below:

~~“[18 AAC 50.040(c)(1)]~~
~~[40 C.F.R. 63.6665 and Table 8 to Subpart ZZZZ]~~
[18 AAC 50.040(c)(23); 18 AAC 50.040(j); 18 AAC 50.326(j)]
[40 C.F.R. 71.6(a)(1)]
[40C.F.R. 63.6595(a)(1), Subpart ZZZZ]”

Basis: The draft permit citations appear to be typographical errors, as they are relevant to Condition 54, not Condition 55. We believe these citations should be changed as noted to match the citations used by the Department for the corresponding condition in other recently issued North Slope Title V permits such as the BPXA Flow Station 1 permit no. AQ0167TVP02, Condition 30.

Response from ADEC: ADEC revised the condition citations to correct typographical errors in the citations associated with draft permit Condition 55 (now Condition 59).

71) **Conditions 58.3, 58.4, 58.7 – 58.9, 59, and 63.1, Classification of EU IDs 22 – 28 and 66 under Subpart ZZZZ** – In the supplemental permit renewal application data provided to the Department on October 31, 2011 with the first public notice draft operating permit renewal for CPF-1, CPAI classified EU IDs 22 through 28 as non-emergency engines for purposes of NESHAP Subpart ZZZZ and EU ID 66 as an emergency engine for purposes of Subpart ZZZZ. CPAI has decided to instead classify EU IDs 22 through 28 as emergency engines and EU ID 66 as a non-emergency engine. Given its small size, EU ID 66 is not subject to any numerical emission limits despite its classification as a non-emergency engine under this rule. All edits to draft permit Conditions 58.3, 58.4, 58.7 – 58.9, 59, and 63.1 in the RLSO markup of the draft permit that accompanies these comments reflect this decision.

Response from ADEC: ADEC acknowledges CPAI's request to classify EU IDs 22 through 28 as emergency engines and EU ID 66 as a non-emergency engine under NESHAP Subpart ZZZZ. ADEC has confirmed the accuracy of the revisions as shown in the commenter's red-line-strike-out (RLSO) markup of draft permit Conditions 57.3, 57.4, 57.7 through 57.9, 58, and 62.1 (now Conditions 61.3, 61.4, 61.7 through 61.9, 62, and 66.1). The commenter's requested changes have been incorporated into the permit. In addition, a typographical error in the citation following draft Condition 57.3 (now Condition 61.3) was revised as follows:

[40 C.F.R. 63.6640(f)(4), Subpart ZZZZ]

As a result of the January 30, 2013 revisions to 40 C.F.R. 63, Subpart ZZZZ, the following revision was made to draft Condition 57.6b (now Condition 61.6b):

~~57.6~~ 60.6 For EU IDs 64 and 65, except as allowed by 40 C.F.R. 63.7(a)(2),...

<...>

- b. Initial compliance with Condition ~~57.560.5~~ shall be determined according to 40 C.F.R. 63, Subpart ZZZZ, Table 5, Item ~~8 or 9~~ 11 or 12.

64. Keep records in a form suitable and readily available for expeditious inspection and review, readily accessible in hard copy or electronic form, for at least 5 years after the date of each occurrence, measurement, maintenance, corrective action, report, or record pertaining to 40 C.F.R Part 63 applicable requirements. ~~At a minimum, the most recent 2 years of data shall be retained on site. The remaining 3 years of data may be retained off site. All data may be retained off site.~~

72) Revise **Condition 67** as follows:

“67. Asbestos NESHA.P. The Permittee shall comply with the applicable requirements set forth in 40 C.F.R. 61.145, and 40 C.F.R 61.150, and 61.152 of Subpart M, and the applicable sections set forth in 40 C.F.R. 61, Subpart A and Appendix A.”

Basis: 40 CFR 61.152 is included in the permit shield. This regulation does not apply to CPF-1. In addition, parts of 40 CFR 61.145 and §61.150 are included in the permit shield, so it is important to include “applicable” as qualifying language in the permit condition.

Response from ADEC: ADEC accepted the requested change to clarify the asbestos requirements applicable to CPF-1.

73) Revise **Condition 68** as follows:

“68.1 **Subpart F: Refrigerant Recycling and Disposal.** The Permittee shall comply with the applicable standards for recycling and emission reduction of refrigerants set forth in 40 C.F.R. 82, Subpart F. Applicable requirements include 40 C.F.R. 82.154, §82.156, §82.161, §82.162, and §82.166.

[40 C.F.R. 82, Subpart F, ~~§82.154(a) – (n)~~]

68.2 **Subpart G – Significant New Alternatives Policy.** The Permittee shall comply with the applicable prohibitions for acceptability of substitutes for ozone-depleting compounds set out in 40 C.F.R. 82.174(b) through (d) Subpart G.

[40 C.F.R. 82, ~~Subpart G, §82.174(b) - (d), Subpart G~~]

68.3 **Subpart H – Halon Emissions Reduction.** The Permittee shall comply with the applicable prohibitions to reduce the emissions of halon set out in 40 C.F.R. 82.270(b) through (f) Subpart H.

[40 C.F.R. 82, ~~Subpart H, §82.270(b)-(f), Subpart H~~]

Basis: 1) Parts of 40 CFR 82, Subpart F are in the permit shield. CPAI requests that ADEC use the language found in CPF-1 TVP01 permit Condition 62 regarding **Refrigerant Recycling and Disposal** to specify the parts of 40 CFR 82 that are applicable to the source.

2) 40 C.F.R. 82.174(a) is included in the permit shield, so it should be excluded from draft permit Condition 68.2.

3) 40 C.F.R. 82.270(a) is included in the permit shield, so it should be excluded from draft permit Condition 68.3.

Response from ADEC: ADEC accepted the requested change to clarify the applicable 40 C.F.R. 82, Subpart H requirements in draft permit Condition 68 (now Condition 69).

74) Revise **Condition 69** as follows:

“69. NESHAPs Applicability Determinations. The Permittee shall determine rule applicability and designation of affected sources under National Emission Standards for Hazardous Air Pollutants (NESHAPs) for Source Categories (40 C.F.R. 63) in accordance with the procedures described in 40 C.F.R. 63.1(b) ~~and 63.10(b)(3)~~. If a source....

[18 AAC 50.040(c)(1), 50.040(j), & 50.326(j)]

[40 C.F.R. 71.6(a)(3)(ii)]

[40 C.F.R. 63.1(b), ~~and 63.6(c)(1), & 63.10(b)(3)~~”]

Basis: 40 C.F.R. 63.10(b)(3) is relevant to “synthetic minor” sources of HAP emissions and has not been included in other North Slope Title V permits recently issued by the Department. Per our Comment 3), CPF-1 is not presently a synthetic minor source of HAP emissions.

Response from ADEC: Unlike the recently issued operating permit renewals, CPAI has an operational cap to avoid stationary source classification as “HAPs Major.” However, during the public comment period, CPAI disclosed that Kuparuk CPF-1 is a HAP major source. See response to Comment 3) Therefore, ADEC accepted CPAI’s edits to remove the “synthetic minor source” federal citation reference in draft permit Condition 69.

75) Revise **Condition 74** as follows:

“74. Assessable Emissions. The Permittee shall pay to the Department an annual emission fee based on the stationary source’s assessable emissions as determined by the Department under 18 AAC 50.410. The assessable emission fee rate is set out in 18 AAC 50.410 ~~(b)~~. The Department...

74.1 the stationary source’s assessable potential to emit of ~~5,008.5,309~~ TPY; or

~~[18 AAC 50.040(j)(3), 50.326(j)(1), 50.035, 50.346(b)(1),~~

[18 AAC 50.040(j)(3), 50.326(j)(1), 50.035, 50.346(b)(1), 50.410, & 18 AAC 50.420]

~~[40 C.F.R. 71.5(c)(3)(ii)]”~~

Basis: 1) Specify the regulation which details the assessable emission fee rate as has been done in other operating permits recently issued by the Department.

2) Update the assessable PTE. See our Comment 103) for the basis of this change.

Response from ADEC: ADEC has accepted the requested changes to clarify the applicable regulations and incorporate the updated assessable PTE. As noted in Comment 103), CPAI revised the assessable PTE on March 5, 2012 to account for the removal of EU IDs, 34, 56 and 58 through 63 through completion of the drill site 1E and 1J project, and the permanent shutdown of EU ID 21.

76) Revise **Condition 76** as follows:

“76 Good Air Pollution Control Practice. Except as noted in Condition 77.4, the Permittee shall do the following for EU IDs 15, 17, 18, 19, ~~20, 22 - 28~~ (if actual emissions from these emission units are not insignificant as defined by 18 AAC 50.326(e)), 29, ~~31~~, 32, 33, ~~34-37 - 41, 43 - 45, 48 - 50, 56, 58 - 60, 64, and 65:~~

<...>

76.4 EU ID(s) ~~19-28~~ 19, 20, 22 - 28, 64, and 65 are subject to this condition only until the applicable compliance date as set forth in Condition **56**.”

Basis: 1) EU ID 31 is subject to the State’s standard permit condition for good air pollution control practice because it is not subject to any NSPS requirements. EU ID 31 is not used as a control device.

2) EU IDs 34, 56 and 58 through 60 are no longer included in the permit. They have been removed per the DS1E/ DS1J amendment to the permit as requested March 5, 2012.

3) There is a cross-reference correction at the end of draft permit Condition 76.4 (highlighted above) that is difficult to discern because the permit condition numbers have been changed in the RLSO markup of the permit. The draft permit cross references draft permit Condition 56, but the correct reference is to draft permit Condition 55, which is displayed as Condition 56 in the RLSO markup of the permit due to our having inserted a new condition into the permit.

Response from ADEC: The listing of emission units in draft permit Conditions 76 and 76.4 were updated to include EU ID 31 and reflect the removal of EU IDs 21, 34, 56 and 58 through 63 from this permit. In addition, the condition cross-reference in draft Condition 76.4 (now Condition 77.4) was revised to correct a typographical error.

77) Verify that the text “style” for **Condition 78** is the same style as other conditions. The draft permit shows the indentation to be different than the rest of the permit.

Response from ADEC: ADEC revised the condition to fix the formatting error.

78) Revise the style for **Condition 80.1** to make it a “heading.” Verify the subsequent conditions are re-numbered to 80.1 through 80.6. Also, revise the text of the new heading as follows:

“**Monitoring, Record Keeping, and Reporting for Condition 80.**” (displayed as Condition 81 in the RLSO markup of the permit)

Basis: We have reviewed the layout of the corresponding “Air Pollution Prohibited” condition in the renewed Title V permit recently issued by the Department for BPXA Flow Station #1 (permit no. AQ0167TVP02, Condition 50) and we ask that ADEC format the CPF-1 permit “Air Pollution Prohibited” condition in the same manner to clarify the condition.

Response from ADEC: ADEC revised the condition to make the draft condition text a heading to keep the format consistent.

79) Add **bolded** headings to **Conditions 80.5** and **80.6** and revise **Condition 80.6** as follows:

~~“80.581.4~~ **Recordkeeping.** The Permittee shall keep records of...

<...>

~~80.681.5~~ **Reporting.** With each operating report under Condition 98 and for the period covered by the report, the Permittee shall include a brief summary report ~~for the period covered by the operating report~~ which must include”

Basis: See the basis to our Comment 78).

Response from ADEC: ADEC revised draft permit Conditions 80.5 and 80.6 (now Conditions 80.4 and 80.5) to be consistent with the formatting of the final permit Conditions 50.4 and 50.5 in the Title V operating permit for BPXA Flow Station #1 (AQ0167TVP02).

- 80) We request that ADEC delete **Condition 82.2** because it is unnecessary. However, if the condition must be retained, revise the text as follows to make the language of the condition apply to the context in which it is written.

“82.2 Compliance with this condition shall be assessed based on the ~~an annual~~ statement of compliance under Condition 100 for ~~99~~ for the period covered by the certification.”

Response from ADEC: ADEC did not delete draft Condition 82.2 as requested by the commenter, as it includes the necessary open burning compliance requirements. ADEC accepted the suggested language edit for context.

- 81) **Condition 91** - Change “Source Test Report Outline” to “Source Test Report **Outline**”.

Basis: The word “Outline” should be in italic font as it is part of the title of the referenced document.

Response from ADEC: ADEC agrees that all words in the title should be italicized in draft permit Condition 91 and revised the font as requested by the commenter.

- 82) **Condition 93** - add “[40 C.F.R. 60.48c(i), Subpart Dc]” to the list of citations for this condition.

Basis: Citing here the recordkeeping requirement of NSPS Subpart Dc under 40 CFR 60.48c(i) is appropriate, just as citing the recordkeeping requirement of NSPS Subpart A under 40 CFR 60.7(f) is also appropriate here, as already done in the draft permit. We request that this citation be included here instead of with the condition pertaining to Subpart Dc.

Response from ADEC: ADEC agrees that the recordkeeping requirement citation of NSPS Subpart Dc, as indicated in draft permit Condition 44.1, can be added to draft permit Condition 93. Condition 93 (now Condition 94) is revised accordingly.

- 83) Revise **Condition 94** as follows:

“**94. Certification.** The Permittee shall certify any permit application, report, affirmation, ~~or~~ or compliance ~~certifications~~ certification submitted ...”

Basis: Requested changes will fix a punctuation error and update the language to match 18 AAC 50.205.

Response from ADEC: The permit was revised as requested by the commenter to correct typographical errors. ADEC also revised draft permit Condition 94.1(b) as follows:

“...certifying authority described in Condition 94.1.a 93.1.a, that the...”

84) Revise **Conditions 97.1, 97.2, and 97.3** (Excess Emissions and Permit Deviation Reports) as follows:

“97.1 <...>

- c. report all other excess emissions; ~~and permit deviations~~
 - (i) within 30 days after the end of the month during which the excess emissions ~~or other permit deviation~~ occurred, except as provided in Condition 97.1c(ii); or 97.1c(ii) and 97.1c(iii);
 - (ii) if a continuous or recurring excess emissions is not corrected within 48 hours of discovery, within 72 hours of discovery unless the Department provides written permission to report under Condition 97.1c(i); ~~and~~
 - (iii) ~~for failure to monitor, as required in other applicable conditions of this permit.~~
- d. If requested by the Department, the Permittee shall provide a more detailed written report as requested to follow up an excess emissions report.
- e. Report all permit deviations not also defined as excess emissions under 18 AAC 50.990:
 - (i) within 30 days after the end of the month during which the deviation was discovered, except as provided in Condition 97.1e(iii); and
 - (ii) no later than the date required by the next annual compliance certification (Condition 100) after the event occurred; or
 - (iii) according to the required deadline for failure to monitor, as specified in Conditions 5.2c and 11.1b.

97.2 When reporting either excess emissions or permit deviations, the Permittee shall report ...

~~97.3 If requested by the Department, the Permittee shall provide a more detailed written report as requested to follow up an excess emissions report.~~

Basis: 1) It is important to note that we have primarily proposed changes that would not affect the underlying reporting requirements of SPC III, but would instead simplify and clarify the language for the permit. We believe that revising this permit condition to present the underlying requirements in a manner that is easier to understand “more adequately meets the requirements of 18 AAC 50” (per the SPC III introductory language) and of 40 CFR 71.6(a)(3) (per the draft permit Statement of Basis language for Condition 97) than does the existing version of SPC III and we reiterate that the introductory language of SPC III provides an allowance for modifying the condition in such cases (i.e., the language of SPC III is not set in stone). Our proposed revisions to the standard condition as incorporated into this permit include the following requested changes –

- We request that the condition present excess emissions and permit deviation reporting requirements separately. We believe that doing this makes it easier to correctly determine the required deadlines for the two different types of reports. In our proposed version, Conditions 97.1a through 97.1d address excess emissions reporting. Proposed new Condition 97.1e specifically addresses permit deviation reporting. Note that new Condition 97.1d is the same as Condition 97.3 of the draft permit. We have simply moved it to be included with the excess emissions reporting section.

- Excess emissions are always permit deviations, but some permit deviations are not excess emissions. Permit deviations that are not excess emissions are specifically the ones that should clearly be identified as qualifying to be reported as a permit deviation, not an excess emissions event. Separating the two reporting requirements into distinct conditions helps to accomplish this.

2) We are also requesting a change to include language that allows for discovery of a permit deviation before the reporting deadline clock begins. We request that ADEC include this important and reasonable provision in the CPF-1 permit. It is appropriate to include a discovery provision because a permit deviation cannot and will not be reported if it has not been discovered. **Including a discovery provision for permit deviations would not require a change to the underlying requirements in 18 AAC 50.240** because 50.240 addresses excess emissions, not other types of permit deviations.

Before making a decision regarding acceptance of the proposed changes to draft permit Condition 97, see also the basis to our Comments 174) and 175) pertaining to our requested changes to the associated Statement of Basis language for this condition.

***Response from ADEC:** On September 27, 2010, ADEC revised Standard Permit Condition III (SPC III) adopted by reference in 18 AAC 50.346(b)(2) to clarify the requirements for Excess Emissions and Permit Deviation Reports (EPPD). This revision was the result of working with and in consideration of the comments regarding SPC III received from different industries in Alaska. ADEC believes that the recent revision to SPC III adequately meets the requirements of 18 AAC 50.*

The language revisions suggested by the Permittee for draft permit Condition 97.1c adds redundant similar language for the permit deviation report, with slight variation from that of excess emissions. Increasing the length and adding exceptions for one type of notice not authorized for the second type of notice will introduce potential for error and falls counter to the efforts the applicant and ADEC have taken to reduce the length of the operating permit. Further, granting a concession to CPAI would run counter to the consistency ensured through use of Standard Permit Condition language. As the proposed language does not meet the demonstration criteria of 18 AAC 50.346(b) as more adequately meeting the requirements of 18 AAC 50, ADEC has not incorporated revisions suggested by the Permittee. The Standard Permit Condition version incorporated is consistent with other recently issued operating permits.

85) Revise **Condition 98** as follows:

“98.2. ~~If~~When excess emissions or permit deviations that occurred during the reporting period are not reported under Condition 98.1, ~~either the Permittee shall identify:~~

a. ~~The Permittee shall identify~~

~~(i)~~a. the date of the deviation;

<...>

~~(v)~~e. any corrective action-actions or preventative measures taken and the date(s) of such actions; ~~or~~

98.3.b When excess emissions or...

~~98.3~~98.4 The operating report must include, for the period covered by the report, a listing of emissions monitored under Conditions 3.1e, 9.2, 12.2, and 47.2a ~~11.2, and 49.2~~ which trigger...

~~98.4~~98.5 ~~Transition from expired to renewed permit~~Expired to Renewed Permit. For the first period...

[18 AAC 50.346(b)(6)(a) & 50.326(j)]
[40 C.F.R. 71.6(a)(3)(iii)(A)]”

Basis: 1) **Re: Condition 98.2** - We ask that ADEC update draft permit Condition 98.2 to match the version of this condition that has been included in recent versions of North Slope Title V permit renewals. See, for example, BPXA Flow Station #1 permit no. AQ0167TVP01 Conditions 68.2 and 68.3 and BPXA Gathering Center #2 public notice draft permit no. AQ0183TVP02, Conditions 76.2 and 76.3.

2) **Re: Condition 98.3** - We ask that ADEC include the phrase “for the period covered by the report” in draft permit Condition 98.3 similar to the qualifying phrase regarding the scope of the information to be included in operating reports found in other conditions of the permit.

3) We believe that draft permit Conditions 9.2, 12.2, and 47.2a are conditions that include provisions with the potential for monitoring to be triggered, while draft permit Conditions 11.2 and 49.2 do not.

4) **Re: the citation** - The citation for this condition should refer to the rule for Standard Permit Condition VII (operating reports) found at 18 AAC 50.346(b)(6).

Response from ADEC: ADEC has corrected draft permit Condition 98.2. The draft permit condition was inconsistent with the 9/27/10 revision to SPC VII (Operating Reports). ADEC made these permit language changes to draft Condition 98 such that it is consistent with SPC VII. In addition, the citation was revised as requested by the commenter.

86) Revise **Condition 99.1a** as follows:

“a. identify each term or condition set forth in ~~Section 3 through Section 10, Section 3 through Section 9,~~ that is the basis of the certificate.”

Basis: There are no requirements in Section 10 of the draft permit that require compliance certification.

Response from ADEC: ADEC revised the condition to correct a typographical error.

87) Revise **Condition 100.1** as follows:

“100.1 **Reports.** Attach to the operating report required by Condition 98 a copy of any NSPS and NESHAPs reports submitted to the U.S. Environmental Protection Agency (EPA) Region 10 during the period covered ~~be by~~ the operating report; and”

Basis: Corrects a typographical error and clarifies which report the text is referring too (since earlier in the sentence there is also a reference to the NSPS and NESHAPs reports).

Response from ADEC: ADEC accepted the change as recommended to fix a typographical error and to correctly reference the operating report.

88) Revise **Condition 100.2** as follows:

“100.2 **Waivers:** Upon request by the Department, ~~notify and~~ provide a written copy of any EPA-granted alternative monitoring requirement, **custom monitoring schedule** or waiver of the Federal emission standards, record keeping, monitoring, performance testing, or reporting requirements, ~~or approved custom monitoring schedules~~. The Permittee shall keep a copy of each U.S. EPA issued monitoring waiver or custom monitoring schedule with the permit.”

Basis: We believe our proposed edits make this draft condition reflect the current “standard” language typically used by ADEC for this condition. We believe it is appropriate to remove the requirement to “notify” the Department. Notification is redundant because a copy of the waiver is to be provided to the Department upon request. It does not make sense to “notify the Department upon request”. Further, the deleted phrase is a repeat of the same phrase found earlier in the same condition and highlighted in the edits above.

Response from ADEC: ADEC accepted the requested changes to draft permit Condition 100.2 (now Condition 101.2) to remove redundant or unnecessary text.

89) Revise **Condition 101** as follows to add clarity and to make the condition applicable to the timing of permit issuance:

“**101. Emission Inventory Reporting.** The Permittee shall submit to the Department reports of actual emissions, by emission unit²⁹, of CO, NH₃, NO_x, PM₁₀, PM_{2.5}, SO₂, VOCs and lead (Pb) (and lead compounds) for the previous calendar year using the form in Section 16 of this permit, as follows:

101.1 The Permittee shall commence reporting in ~~2012~~2013 for the calendar year of ~~2014~~2012, ~~2013~~2014 for calendar year ~~2012~~2013, etc.”

Response from ADEC: Since the final permit decision is now projected for 2014, ADEC revised draft permit Condition 101 (now Condition 102) to update the time period required to be reported.

90) Revise **Condition 105.1** as follows:

“105.1 The Permittee shall provide EPA and the Department with ~~a~~written notification no less than 7 days in advance of the proposed change.”

Basis: The notice is required to be written per 40 C.F.R. 71.6(a)(13).

Response from ADEC: ADEC revised this condition to be consistent with the requirements of 40 C.F.R. 71.6(a)(13).

91) Revise **Condition 113** as follows:

“**113.** Table G identifies the emission units that are not subject to the specified requirements at the time of permit issuance. If any of the requirements listed in Table G becomes applicable during the permit term, the Permittee shall comply with such requirements on a timely basis, ~~including, but not limited to, providing~~ The Permittee shall also provide appropriate notification ~~to EPA, and apply for and obtaining~~ a construction permit and/or an operating permit modification and/or permit amendment, as necessary.”

Basis: CPAI prefers the language proposed above. We do not believe that application for a construction permit or operating permit revision should have any relevance to compliance with a currently shielded requirement that becomes applicable during the permit term. That portion of the condition should be presented independently from the potential need to apply for a permit/permit revision. Further, we believe it is appropriate that the condition not refer only to notification to EPA, as notification

will in many cases be appropriate to ADEC as well. Our proposed language is the same as that included in recently issued North Slope Title V permits, including most recently the BPXA Flow Station #1 Title V Permit no. AQ0167TVP02, Condition 83.

Response from ADEC: ADEC accepted these suggested revisions to draft permit Condition 113 to make the language consistent with other recently issued Title V permits, including the final permit Condition 83 of Title V operating permit for BPXA Flow Station #1 (AQ0167TVP02) and Condition 96 of Operating Permit AQ0272TPV02 for BPXA Lisburne Production Center.

92) General Comment on **Table G, Permit Shields Granted** - CPAI requests that ADEC consistently shade the section header rows gray for easier identification of the various sections of the table.

Response from ADEC: ADEC revised Table G as requested to adopt consistent shading throughout the table.

93) Revise and insert the noted rows of **Table G, Permit Shields Granted**, as follows:

Storage Tanks: T1-101, T1-P101A, T1-P101B, T-175, T-177, T-178, T-201, T-1002A, T-1002B, T-1009, T-2201, T-2202, T-CL03, G1-19501, G1-19502, G1-19503, G1-19504, T-1A01, T-1E01, T-1F1901 T-1F-1901 , T-1G01, T-1L01, T-1Q01, T-1R01, T-1Y01, <u>and T-1005, and Temporary Crude Oil Storage Tank (EU ID 56)s</u>	
<...>	
Storage Tanks: T-175, T-176, T-CL03, T-177, T-178, T-1002A, T-1002B, T-CW01, <u>and Temporary Crude Oil Storage Tanks (EU ID 56)</u>	
40 C.F.R. 60, Subpart Ka – Standards of Performance for Storage Vessels for Petroleum Liquids	Vessels Vessel capacity less than threshold (40,000 gallons).
Storage TankTanks : T1-101, T-2201, T-2202, T-1005	
<...>	
Storage Tanks: T-1A01, T-1E01, T-1L01, T-1F-1901, T-1G01, T-1Q01, T-1R01, and T-1Y01	
40 C.F.R. 60, Subpart Ka – Standards of Performance for Storage Vessels for Petroleum Liquids	Vessels do not store a <i>petroleum liquid</i> , as defined in subpart.
Storage TanksTank : T-1Q01, T-1R01, T-1Y01, T-1005, T-1A01, T-1E01, T-1F1901, T-1G01, T-1L01, T1-101, T-175, T-177, T-201 (EU ID 51), T-1002A, T-1002B, T-2201, T-2202, G1-19501, <u>and EU IDs 52 – 55 (G1-19502, G1-19503, and G1-19504 (EU IDs 52 - 55)</u>	
<...>	
Storage Tanks: T-176, T-1009, and T-CL03	
40 C.F.R. 60, Subpart Kb - Standards of Performance for Volatile Organic Liquid Storage Vessels (including Petroleum Liquid Storage Vessels)	Subpart Kb does not apply to vessels with a capacity ≥ 75 m ³ but <151 m ³ storing a liquid with a maximum true vapor pressure <15 kPa (2.18 psia).
Storage Tank: T-178, <u>and T-CW01, and Temporary Crude Oil Storage Tanks (EU ID 56)</u>	
40 C.F.R. 60, Subpart Kb- Standards of Performance for Volatile Organic Liquid Storage Vessels (including Petroleum Liquid Storage Vessels)	Vessels Vessel capacity less than threshold (20,000 gallons)
<...>	

Basis: 1) In conjunction with our March 5, 2012 request to remove emission units as well as permit terms and conditions associated with developmental drilling at DS1E and DS1J from the permit, we ask that ADEC also remove all references to these corresponding emission units from the permit shield (i.e., EU IDs 34, 56, and 58 through 63).

Basis: 2) Retain the NSPS Subpart Ka permit shield for storage tanks T-1A01, T-1E01, T-1L01, T-1F-1901, T-1G01, T-1Q01, T-1R01, and T-1Y01. The shield for these storage tanks was included in the TVP01 permit, and should be retained here. These tanks are located at individual drill sites to store methanol for freeze protection. There is no potential that these tanks would be converted to storage tanks of petroleum liquid as defined in Subpart Ka due to the purpose that these tanks serve.

Also, retain the NSPS Subpart Kb permit shield for storage tanks T-176, T-1009, and T-CL03. The shield for these storage tanks was included in the TVP01 permit, and should be retained here.

In addition, see our Basis #3) below

3) ADEC has indicated in Table Q of the Statement of Basis that the permit shields for Subparts Ka and Kb requested above have been denied because “tanks may become subject to this requirement during permit”. Permit shield determinations are to be made based on the status of the emission units and source at the time a permit is issued. We believe the point of including draft permit Condition 113 in the permit is to clearly address this. It states that “Table G identifies the emission units that are not subject to the specified requirements *at the time of permit issuance.*” (emphasis added) This condition continues by stating what the Permittee is required to do “if any of the requirements listed in Table G becomes applicable during the permit term”, including completion of an application to revise the operating permit. Such an application would include removing from the permit shield any requirements that have become applicable to the source or an emission unit. Therefore, we assert that it is inappropriate and unnecessary to deny a permit shield based on possible future revisions or facility changes that might make a rule apply to a source or emission unit after the permit is issued.

Storage Tank: TK-FA-0501-10 (Portable Gasoline Storage Tank)	
40 C.F.R. 63 Subpart BBBBBB - National Emission Standards for Hazardous Air Pollutants for Source Categories: Gasoline Distribution Bulk Terminals, Bulk Plants, and Pipeline Facilities	The emission unit is not a gasoline distribution bulk terminal, bulk plant or pipeline facility as defined in 40 C.F.R. 63.11100.
40 CFR 63 Subpart R - National Emission Standards for Hazardous Air Pollutants for Source Categories: Gasoline Distribution Facilities (Bulk Gasoline Terminals and Pipeline Breakout Stations)	The stationary source is not a major source of HAPs and the The emission unit is not a “bulk gasoline terminal” or “pipeline breakout station”, as defined at 40 C.F.R. 63.421. [40 C.F.R. §63.420(a) and (b)]

Basis: 4) See our Comment 3) regarding the major source status of CPF-1.

Storage Tanks at an Area Source Subject to NESHAP Subpart CCCCCC Gasoline Distribution-Dispensing Facility EU ID-67 Portable Gasoline Storage Tank: (TK-FA-0501)-10 (EU ID 67)	
40 C.F.R. 63.11113(a)(1) and (b), Subpart CCCCCC – Compliance Deadlines	These deadlines apply to existing affected sources or new or reconstructed affected sources that start up before January 19, 2008. The tank is a new affected source that started up after January 19, 2008.

Basis: 5) The correct title for the gasoline facility is “Gasoline Dispensing Facility”, as used in Table A of the permit, not “Gasoline Distribution Facility”. Also, EU ID 67 is associated with the gasoline storage tank, not the gasoline dispensing facility.

Stationary Source-Wide (Except KUTP)	
<...>	
40 C.F.R. 60, Subpart J – Standards of Performance for Petroleum Refineries; 40 C.F.R. 60, Subpart GGG – Standards of Performance for Equipment leaks of VOC in Petroleum Refineries	Stationary source does not meet the definition of a petroleum refinery because other than KUTP the stationary source does not engage <u>engage</u> in producing gasoline, kerosene, distillate fuel oils, residual fuel oils, lubricants, or other products through distillation of petroleum or through redistillation, cracking or reforming of unfinished petroleum derivatives.
<...>	
Stationary Source-Wide	
<...>	
<u>40 C.F.R. 60, Subpart OOOO - Standards of Performance for Crude Oil and Natural Gas Production, Transmission and Distribution</u>	<u>There have been no affected sources constructed, reconstructed, or modified at CPF-1 after the August 23, 2011 applicable date of the rule as given in 40 CFR 60.5365.</u>
<...>	
40 C.F.R. 61, Subpart V – National Emission Standard for Equipment Leaks (Fugitive Emission Sources)	Stationary source does not operate equipment in volatile hazardous air pollutant (VHAP) service (> 10 percent VHAP by weight).
<u>40 C.F.R. 61, Subpart Y – National Emission Standard for Benzene Emissions from Benzene Storage Vessels</u> Equipment Leaks (Fugitive Emission Sources)	Stationary source does not operate storage vessels in benzene service.

Basis: 6) Insert the Subpart OOOO permit shield we requested in Comment 4) at this Stationary Source-Wide section of the Table G as shown above.

7) To correct a variety of grammatical and/or typographic errors.

8) The threshold for VHAP service in 40 CFR 61, Subpart V is “greater than or equal to 10%” VHAP, not “greater than 10%”.

9) To correct the title of 40 CFR 61 Subpart Y.

40 C.F.R. 61, Subpart BB –National Emission Standard For Benzene Emissions from Benzene Transfer Operations	Stationary source does not conduct benzene transfer operations.
40 C.F.R. 63, Subpart A – General Provisions, except 40 C.F.R. 63.1(b) and 40 C.F.R. 63.10(b)(3).	Requirements only apply to stationary sources subject to any provision of 40 C.F.R. 63. This stationary source is not subject to 40 C.F.R. 63, Subpart A, except for the requirement to determine rule applicability (40 C.F.R. 63.1(b)) and to keep records of rule applicability determination (40 C.F.R. 63.10(b)(3)).
40 C.F.R. 63, Subpart B – Requirements for Control Technology Determinations for Major Sources in Accordance with Clean Air Act Sections 112(g) and 112(j).	Stationary source is not subject to any control technology standards determinations under 40 C.F.R. 63 because it is not a major source of HAPs subject to the MACT provisions of any rules found in 40 C.F.R. 63.
40 C.F.R. 63, Subpart EEEE – National Emission Standards for Organic Liquid Distribution	CPF-1 is not a major source of HAPs. In addition, CPF-1 is an oil and natural gas production field facility as the term “facility” is defined in 40 C.F.R. 63.761 of 40 C.F.R. 63, Subpart HH. Organic liquid distribution (OLD) operations do not include the activities and equipment used to process, store, or transfer organic liquids at oil and natural gas production field facilities. [40 C.F.R. 63.2334(c)(1)]
40 C.F.R. 63, Subpart HH – National Emission Standards for Hazardous Air Pollutants from Oil and Natural Gas Production Facilities	This stationary source exclusively processes, stores, or transfers “black oil” (defined in the final promulgated rule as a petroleum liquid with an initial producing gas-to-oil ratio (GOR) less than 1,750 scf/bbl and an API gravity less than 40 degrees). Therefore, the black oil exemption applies.
<...>	
40 C.F.R. 68 - Accidental Release Prevention Requirements: Risk Management Programs [40 C.F.R. 68.112(r)]	"Naturally occurring hydrocarbon mixtures" (crude oil, condensate, natural gas and produced water), prior to entry into a petroleum refining process unit (NAICS code 32411) or a natural gas processing plant (NAICS code 211112) are exempt from the threshold determination. (See Final Rule exempting from threshold determination regulated flammable substances in naturally occurring hydrocarbon mixtures prior to initial processing, 63 FR 640 [January 6, 1998]). Less than 10,000 lbs of other mixtures containing regulated flammable substances that meet the criteria for an NFPA rating of 4 for flammability are stored at the stationary source. Therefore, CPF-1, a crude petroleum and natural gas production extraction facility, (NAICS code 211111) does not process or store regulated flammable or toxic substances in excess of threshold quantities.
40 C.F.R. 82.1, Subpart A – Production and Consumption Controls	Stationary source does not produce, transform, destroy, import or export Class I or Group I or II substances or products.

40 C.F.R. 82.30, Subpart B – Servicing of Motor Vehicle Air Conditioners	Stationary source is does not service motor vehicle air conditioners.
<...>	
40 C.F.R. 61.10 - Source Reporting and Waiver Request	Demolition and renovation operations are exempt from 40 C.F.R. 61.10(a). [ref. 40 C.F.R. 61.153(b)]

Basis: 10) The basis to the permit shield that ADEC has granted previously for 40 CFR 63, Subpart A is no longer true with the onset of 40 CFR 63 provisions that apply to area sources of HAP emissions (e.g., NESHAP Subpart ZZZZ and CCCCCC, which apply to CPF-1) and, subsequently, certain provisions of 40 CFR 63 Subpart A. Therefore, CPAI withdraws its request for a permit shield pertaining to 40 CFR 63 Subpart A.

11) The basis for the permit shield pertaining to 40 CFR 63, Subpart B has been changed consistent with our Comment 3).

12) See our Comment 3) regarding the major source status of CPF-1.

13) The title of NAICS code 211111 is “Natural Gas **Extraction**” facility.

All Combustion Turbines	
40 C.F.R. 60, Subpart KKKK – Standards of Performance for Stationary Combustion Turbines	Construction, modification, or reconstruction of each turbine commenced prior to the applicability date of February 18, 2005. Permit shield for Subpart KKKK only applies to currently installed units until modified, reconstructed or replaced.
40 C.F.R. 63, Subpart YYYY – National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines	CPF-1 is not a major source of HAPs as defined under Subpart YYYY . In addition, turbines located on the North Slope of Alaska are categorically exempt from 40 C.F.R. 63, Subpart YYYY.
All Reciprocating IC Engines	
40 C.F.R. 60, Subpart IIII – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines	Construction, modification, or reconstruction of each IC engine commenced prior to the applicability date of July 11, 2005. Permit shield for Subpart IIII only applies to currently installed units until modified, reconstructed or replaced.
All Heaters and Boilers	
40 CFR 63 Subpart DDDDD – National Emission Standards for Hazardous Air Pollutants for Industrial/Commercial/Institutional Boilers and Process Heaters	CPF-1 and each associated drill site are not major sources of HAPs as defined under Subpart DDDDD .

Basis: 14) See our Comment 3) regarding the major source status of CPF-1.

Stationary Engines Subject to NESHAP Subpart ZZZZ Existing Engines - EU ID(s) 19, 20, 22 - 28, 64, 65, and 66 (G-701-A, G-701-B, P-1A02, P-1F02, P-1G02, P-1L02, P-1Q02, P-1R02, P-1Y02, KS5010A, KS5010B, <u>KS5010-1</u>)	
40 C.F.R. 63.6600, 40 C.F.R. 63.6601, and 40 C.F.R. 63.6602, Subpart ZZZZ - Emission Limitations	The stationary source is not a major source of HAP emissions as defined under Subpart ZZZZ .

40 C.F.R. 63, Subpart ZZZZ, Table 2b - Operating Limitations	There are no requirements in Table 2b of Subpart ZZZZ that apply to these engines because they are emergency engines and/or rated at ≤ 500 bhp.
40 C.F.R. 63.6610 and 40 C.F.R. 63.6611, Subpart ZZZZ – Testing and Initial Compliance Requirements	The stationary source is not a major source of HAP emissions <u>as defined under Subpart ZZZZ.</u>
40 C.F.R. 63.6650(g), Subpart ZZZZ – Reporting Requirements	<u>Reporting requirement only applies to “new” or reconstructed stationary RICE which fire landfill or digester gas. These engines are liquid fuel fired.</u>
40 C.F.R. 63.6655(b), (c), Subpart ZZZZ - Recordkeeping Requirements	<u>These engines do not fire landfill or digester gas and a CEMS or CPMS is not required.</u>
Stationary Engines Subject to NESHAP Subpart ZZZZ All Existing Non-Emergency Engines - EU IDs 21, 28, 64, and 65 - 66 (P-CL04-ECC, P-1A02, P-1F02, P-1G02, P-1L02, P-1Q02, P-1R02, P-1Y02, KS5010A, KS5010B, <u>KS5010-1</u>)	
<...>	

Basis: 15) Include the tag number for EU ID 66.

16) See our Comment 3) regarding the major source status of CPF-1.

17) Include 40 C.F.R. 63.6650(g) in the shield for all existing IC engines at CPF-1. This requirement is not applicable due to the reason given above. (Note: the shield granted by ADEC in the draft permit is for all of §63.6650. However, the basis for §63.6650(g) is different than it is for §63.6650(a) – (e) and §63.6650(f) is applicable to the emergency engines. It is included in the draft permit as Condition 63.3.

18) We ask that ADEC include a permit shield regarding 40 CFR 63.6655(b) & (c) for all existing engines at CPF-1 with the basis as shown in our proposed edit to Table G above.

Basis: 19) EU IDs 22 through 28 are to be classified as emergency engines under Subpart ZZZZ, and EU ID 66 is to be classified as a non-emergency engine under Subpart ZZZZ. Also, EU ID 21 is out of service and has been abandoned in place. We ask that ADEC remove EU ID 21 from the permit, except for the reference place holder in Table A of the permit, and from the permit shield.

Stationary Engines Subject to NESHAP Subpart ZZZZ Existing Emergency Engines – EU IDs 19, 20, and 22 - 2866 (G-701-A, G-701-B, <u>P-1A02</u>, <u>P-1F02</u>, <u>P-1G02</u>, <u>P-1L02</u>, <u>P-1Q02</u>, <u>P-1R02</u>, <u>P-1Y02</u>, KS5010-1) Existing Non-Emergency Engines (hp\leq300) - EU IDs 22—28 66 (KS5010-1<u>P-1A02</u>, <u>P-1F02</u>, <u>P-1G02</u>, <u>P-1L02</u>, <u>P-1Q02</u>, <u>P-1R02</u>, <u>P-1Y02</u>)	
<...>	
40 C.F.R. 63.6630(b), (c), Subpart ZZZZ – Initial Compliance Demonstration	There are no performance testing requirements that apply to these engines because there are no applicable emission limitations per 40 C.F.R. 63.6610, §63.6611 and Table 2d of Subpart ZZZZ.
<...>	

40 C.F.R. 63.6640(a) & (b) and §6063.6650(a) – (e), Subpart ZZZZ – Reporting Requirements	Compliance status reporting requirements only apply to CI RICE subject to a numerical emission or operational limit. There are no such limits that apply to these engines.
40 C.F.R. 63.6655(a) – (d)(a), (d), Subpart ZZZZ - Recordkeeping Requirements	There are no emission standards or operational limits that which apply to the engines.
<...>	
Stationary Engines Subject to NESHAP Subpart ZZZZ Non-Emergency Engines (300<hp≤500) – EU IDs 64 and 65 (KS5010A, KS5010B)	
40 C.F.R. 63.6615 & Table 3, Subpart ZZZZ – Subsequent Testing	There are no subsequent performance testing requirements that apply to these engines because the engines are rated ≤500 bhp and are not located at a major stationary source of HAP emissions as defined under Subpart ZZZZ.
40 C.F.R. 63.6625(e), Subpart ZZZZ – Monitoring, Installation, Collection, Operation and Maintenance Requirements	These are not emergency engines and these engines are subject to a numerical emission limit.
40 C.F.R. 63.6630(b), Subpart ZZZZ – Initial Compliance Demonstration	There are no operating limitations which that apply to these engines per Table 2b of 40 C.F.R. 63, Subpart ZZZZ.
<...>	
40 CFR 63.9(b)(2), Subpart A – Initial Notification	Obsolete requirement – completed as required. (6/24/10 and 10/28/10 letters to EPA)
<...>	

Basis: 20) 40 CFR 63 Subpart ZZZZ, Table 3 pertains to subsequent testing and relates to 40 CFR 63.6615. As such, we request that ADEC include Table 3 in the permit shield as shown above.

21) See our Basis #19), above.

22) None of the requirements of 40 C.F.R. 63.6630 is applicable to the listed engines. The shield should not be limited to §63.6630(b) & (c).

23) Include §63.6640(a) and specify §63.6650(a) – (e). These specific requirements are not applicable due to the reason stated above. See also the following basis.

24) §63.6655(b) & (c) should be included in the permit shield for all existing engines at CPF-1. We have requested that the permit shield for these two requirements be moved to the corresponding location in Table G. See Basis #18, above.

25) See our Comment 3) regarding the major source status of CPF-1.

26) The required initial notification for non-emergency engines rated between 301 and 500 hp was submitted to EPA as indicated above in the basis for the permit shield from 40 CFR 63.9(b)(2). We ask that ADEC include this permit shield language in the same manner as other permit shields have been granted for rules pertaining to one-time notification requirements that have been fulfilled.

Response from ADEC: Table G was revised as suggest by the commenter to add clarity except as noted herein.

The reason non-applicability for NESHAP Subparts HH, EEEE, YYYY, ZZZZ, DDDDD, and JJJJJ permit shields were clarified consistent with response to Comment 3).

ADEC agrees to accept the request to include a NSPS Subpart Ka permit shield for storage tanks T-1A01, T-1E01, T-1L01, T-1F-1901, T-1G01, T-1Q01, T-1R01, and T-1Y01. These tanks may become subject to this standard during the term of the permit if used to store material subject to the standard, however the applicant certifies that the tanks are not used for that purpose.

ADEC agrees to accept the request to include a NSPS Subpart Kb permit shield for storage tanks T-176, T-1009, and T-CL03. These tanks may become subject to this requirement during the permit term if used to store liquid with a maximum true vapor pressure less than 15 kPA (2.18 psia), however they are not currently used for storage of such liquids.

ADEC changed the Subpart YYYY and DDDDD language because CPF-1 contains multiple Title III HAP sources, one of which is major and remainder of which is minor.

ADEC does not agree with adding a permit shield for Subpart OOOO. See response to Comment 4). ADEC did not add this rejection into the “permit shields denied” statement of basis text because the Subpart OOOO shield request is not part of CPAI’s application.

- 94) **Visible Emissions Observation Form Instruction Sheet – Section 11, 1st bullet** – change “Source Name: full company name...” to “Stationary Source Name: full company name...”

***Response from ADEC:** The permit was revised as requested by the commenter to eliminate potential confusion.*

- 95) Revise **Table H (Section 13)** as follows:

Table H– Emission Factors <New Footnote>

Type of Equipment	NO _x	SO ₂	CO	PM	VOC
Gas Turbines EU IDs 1 - 3 and 8 - 13	The Permittee may use either the allowable short-term concentration if greater than the source test results, or the most recent representative source test data.	<...>	The Permittee may use either <u>the allowable short-term emission limit</u> or 0.082 lb/MMBtu (Table 3.1-1, AP-42) if greater than the source test results, or most recent representative source test data	<...>	<...>

Type of Equipment	NO _x	SO ₂	CO	PM	VOC
Gas Heaters EU IDs 16, 37 - 41, 43 - 45, and 48 - 50	The Permittee may use either 0.08 lb/MMBtu the allowable short-term emission limit or AP-42 emission factor if greater than the source test results, or the most recent representative source test data.	Actual monthly fuel gas H ₂ S concentration	The Permittee may use either 0.018 lb/MMBtu the allowable short-term emission limit or AP-42 emission factor if greater than the source test results, or the most recent representative source test data	2.5 lb/MMscf	None Applicable
Incinerator EU ID 36	100 lb/MMscf and 3 lb/ton refuse (Tables 1.4-1 and 2.1-12, AP-42)	Actual monthly fuel gas H ₂ S concentration and 2.5 2.5 lb/ton refuse (Table 2.1-12, AP-42)	1784 lb/MMscf and 10 lb/ton refuse (Tables 1.4-1 [previous edition] and 2.1- 12, AP-42)	7.6 lb/MMscf and 7 lb/ton refuse (Tables 1.4-2, and 2.1-12, AP-42)	35.5 lb/MMscf and 3 lb/ton refuse (Tables 1.4-2 [previous edition] and 2.1-12, AP- 42)

<New Footnote> “In circumstances where source test results are not yet determined, use of the short-term limit or AP-42 factors to estimate long-term emissions is acceptable.”

- Basis:* 1) We request that the turbine CO emissions calculations options include use of the allowable short-term emission limit as well as the use of the applicable AP-42 emission factor.
- 2) We request that the heater NO_x and CO emissions calculations options include use of the allowable short-term emission limit or an AP-42 emission factor.
- 3) We propose to update the acceptable CO and VOC emission factors for the supplemental burners that fire in the incinerators to match the current version of AP-42 for external combustion devices (i.e., heaters).
- 4) It is important to add the caveat “In circumstances where source test results are not yet determined, use of the short-term limit or AP-42 factors to estimate long-term emissions is acceptable” to address the transition period between the method used historically to estimated emissions (AP-42) and when the first source tests are completed. As written, the requirement could be interpreted to allow use of AP-42 emission factors only if they are higher than the source test results. If we do not have source test results to compare AP-42 against, then without the additional caveat we may not be able to use AP-42.

Response from ADEC: ADEC revised Section 13 of the permit as requested by the commenter to provide detail on the acceptable emission factors to use in calculating emissions to determine compliance with applicable BACT limits.

96) Revise the ADEC Notification Form (Section 14) as follows:

a) Insert a hard return <page break> before Section 1(e) so that all options for this question are visible on one page.

b) Change the text next to the fourth “Checkbox” on the left side of Section 2(a) as follows:

“☐ Record **keeping**/Reporting/Compliance Certification”

Basis: To match the verbiage used on the form in Standard Permit Condition IV and to use the typical Title V terminology.

Response from ADEC: The ADEC Notification Form was revised as requested by the commenter to correct a grammatical error.

97) Delete the Air Exclusion Zone Surveillance Monitoring Form (Section 15) in its entirety.

Basis: This form is no longer required nor relevant as a result of removing the DS1E/ DS1J developmental drilling terms and conditions from this permit.

Response from ADEC: Permit Section 15 and the attendant Air Exclusion Zone Surveillance Monitoring Form area removed from the permit as requested since construction and post-construction phases of development at drill sites 1E and 1J were completed in 2009. The requirement to establish an ambient air boundary exclusion zone as contained in AQ0267MSS02 Condition 3 is obsolete and has been “sunsetting” per the March 5, 2012 submittal from the Permittee.

98) **Emission Inventory Form (Section 16)** - We have found that there are a number of differences between the requirements of Table 2a of Appendix A to Subpart A of 40 CFR 51, dated December 17, 2008, and the “ADEC Reporting Form” found in Section 16 of the draft CPF-1 permit. Since SPC XV.1.3 (Condition 101.2 of the draft CPF-1 permit) requires that Permittees report the required elements in the ADEC Reporting Form or those contained in Table 2a of Appendix A to 40 CFR 51 Subpart A, we request that the form be made consistent with Table 2a.

Shown below is **Table 2a to Appendix A of Subpart A - Data Elements for Reporting on Emissions From Point Sources, Where Required by 40 CFR 51.30**. Highlighting has been added to identify whether or not the elements required by Table 2a are included on ADEC’s form – **green** means the data element is included on ADEC’s form, **yellow** means that the element is not included on ADEC’s form. No highlighting means that the element is included on ADEC’s form, but does not appear to be required by Table 2a of the rule. We have also added comments to the table below to provide additional feedback that may be useful to ADEC in deciding if any changes should be made to the form included in SPC XVI and Section 16 of the draft CPF-1 permit.

Data elements	Every-year reporting	Three-year reporting	CPAI’s Comments
(1) Inventory year	✓	✓	Should be highlighted as mandatory information
(2) Inventory start date	✓	✓	
(3) Inventory end date	✓	✓	
(4) Contact name	✓	✓	ADEC says contact address and mailing address are mandatory, but rule does not.
(5) Contact phone number	✓	✓	

Data elements	Every-year reporting	Three-year reporting	CPAI's Comments
(6) FIPS code	✓	✓	Not on form – assume ADEC will include this code in their report to EPA
(7) Facility ID codes	✓	✓	Not on form – assume ADEC will include this code in their report to EPA
(8) Unit ID code	✓	✓	
(9) Process ID code	✓	✓	Not on form – assume ADEC will include this code in their report to EPA
(10) Stack ID code	✓	✓	Not on form – assume ADEC will include this code in their report to EPA
(11) Site name	✓	✓	
(12) Physical address	✓	✓	
(13) SCC	✓	✓	
(14) Heat content (fuel) (annual average)	✓	✓	ADEC's form does not specify that this is to be entered as an annual average value
(15) Heat content (fuel) (ozone season, if applicable)	✓	✓	Not on form, but may not be applicable
(16) Ash content (fuel) (annual average)	✓	✓	
(17) Sulfur content (fuel) (annual average)	✓	✓	
(18) Pollutant code	✓	✓	Not on form – assume ADEC will include this code in their report to EPA
(19) Activity/throughput (for each period reported)	✓	✓	
(20) Summer day emissions (if applicable)	✓	✓	Not on form, but may not be applicable
(21) Ozone season emissions (if applicable)	✓	✓	Not on form, but may not be applicable
(22) Annual emissions	✓	✓	Need to clarify as "annual emissions" on ADEC's form
(23) Emission factor	✓	✓	
(24) Winter throughput (percent)	✓	✓	
(25) Spring throughput (percent)	✓	✓	
(26) Summer throughput (percent)	✓	✓	
(27) Fall throughput (percent)	✓	✓	
(28) Hr/day in operation	✓	✓	
(29) Day/wk in operation	✓	✓	
(30) Wk/yr in operation	✓	✓	

Data elements	Every-year reporting	Three-year reporting	CPAI's Comments
(31) X stack coordinate (longitude)		✓	
(32) Y stack coordinate (latitude)		✓	
(33) Method accuracy description (MAD) codes		✓	This is not clearly identified on ADEC's form.
(34) Stack height		✓	
(35) Stack diameter		✓	
(36) Exit gas temperature		✓	
(37) Exit gas velocity		✓	
(38) Exit gas flow rate		✓	
(39) NAICS at the Facility level		✓	
(40) Design capacity (including boiler capacity if applicable)		✓	
(41) Maximum generator nameplate capacity		✓	
(42) Primary capture and control efficiencies (percent)		✓	
(43) Total capture and control efficiency (percent)		✓	
(44) Control device type		✓	
Control ID			Control "id" is highlighted on the form as required information, but we don't see it as being required by Table 2a.
(45) Emission type		✓	This might be information that ADEC would need to include on the form in order to accurately report this to EPA.
(46) Emission release point type		✓	This might be information that ADEC would need to include on the form in order to accurately report this to EPA.
(47) Rule effectiveness (percent)		✓	Not sure what this is. Assume ADEC can report this information to EPA without input from a Permittee.
(48) Winter work weekday emissions of CO (if applicable)		✓	Not on form, but may not be applicable

Response from ADEC: The commenter notes that the Permittee is required to “...report the required elements in the ADEC Reporting Form or those contained in Table 2a of Appendix A to 40 C.F.R. 51, Subpart A”. The form provided in Section 16 (now Section 15) is the form approved through a regulation adoption completed and adopted on September 27, 2010 as

Standard Permit Condition (SPC) XV and XVI. Since the Permittee has the discretion to use a customized form and provide additional helpful information if they believe that data elements are not adequately contained in the form provided, ADEC has not adopted these requested changes to this form. ADEC has compiled these recommendations into their list for consideration when it reopens SPCs for re-adoption. ADEC made no changes to the permit SPC form language due to this comment.

99) Revise the 2nd page of the Emission Inventory Reporting Form as follows:

a) Revise the **Emissions section** as follows:

<u>EMISSIONS</u>					
Pollutant	Emission Factor	Emission Factor Numerator	Emission Factor Denominator	Emission Factor Source <u>Origin</u>	Tons Emitted

Basis: In keeping with the appropriate standard practice to limit use of the term “source” in the permit except to describe the operations that are permitted, we request the change shown above to use a different term with the same intent.

b) **Insert a hard return <page break> between the Emissions and Stack Description sections of the form** so that all of the Stack Description is visible on one page.

Response from ADEC: ADEC agrees that the recommendation enhances this form and better achieves the goals of 18 AAC 50. Therefore, ADEC made the change for clarity.

100) Revise the 3rd page of the Emission Inventory Reporting Form as follows:

Stack Description:	
	<...>
	<u>Accuracy (m): Method Accuracy Description (MAD) Codes (as defined in 40 CFR 51.50)</u>
	<u>Datum:</u>

Basis: 1) The requirement of Table 2a of Appendix A to Subpart A of 40 CFR 51 (dated December 17, 2008) is to report the Method Accuracy Description (MAD) Codes as defined in 40 CFR 51.50, not the “accuracy in meters”.

2) The “datum” is not required by 40 CFR 51, but is part of the MAD code. Refer to the definition of the Method Accuracy Description code found in 40 CFR 51.50, dated December 17, 2008.

Note: ADEC responded to this same comment when it was provided during the public comment period for the proposed changes to 18 AAC 50 in 2010. The response was as follows:

The Department recognizes that Table 2A of Appendix A to Subpart 51 cites only the requirement for Method, Accuracy, Description (MAD) codes. Method accuracy description (MAD) codes include a set of six different elements used to define the accuracy of latitude/longitude data for point sources, and include codes for the measure of accuracy (in meters) of the latitude/longitude coordinates as well as the Horizontal Reference Datum Code.

To ensure that the elements required for data reporting of point source information is met, the Department will retain the separate reporting line for the stack unit Latitude/Longitude,

Horizontal Reference Datum Code, Horizontal Accuracy Measure, and Horizontal Collection Method Code.

Per ADEC's reply to the rule comments, it seems as if there are some changes that should be made to the form to clarify what it is that ADEC is requesting to be reported. In order to clarify the required reporting elements, we suggest a more detailed version of the form than the one proposed above to include the elements ADEC stated in its response, and which might more clearly indicate the required reporting elements, as shown below. The Department has recently been issuing North Slope Title V permits with the Emissions Inventory Form changes suggested below.

Stack Description:	
	<...>
	Latitude:
	Longitude:
	Location Description:
	<u>Accuracy (m): Method Accuracy Description (MAD) Codes (as defined in 40 CFR 51.50)</u>
	<u>Horizontal Reference Datum Code:</u>
	<u>Horizontal Accuracy (m):</u>
	<u>Horizontal Collection Method Code:</u>

Response from ADEC: ADEC revised the Emissions Inventory Reporting Form as requested by the commenter to add detailed information on the MAD codes to better meet the needs of 18 AAC 50.

Comments on the Statement of Basis

- 101) Add this sentence to the end of the second paragraph of the **Stationary Source Identification**:

"The SIC code for this stationary source is 1311 - Petroleum and Natural Gas Production. The NAICS code for this source is 211111."

Basis: We ask that ADEC retain this information, which was included in the TVP01 permit for CPF-1.

Response from ADEC: ADEC revised the SOB text as requested by the commenter to add the specified detail.

-
- 102) Revise the third paragraph of the **Emission Unit Inventory and Description** as follows:

"...Specifically, the emission unit rating/size provided in the table ~~is not intended~~ does not create an enforceable limit."

Basis: The proposed language above should more definitely state that the rating/size of an emission unit shown in Table A of the permit is not an enforceable limit. The change proposed above will make the language match that used by ADEC in the last line of the paragraph that immediately follows Table I of the Statement of Basis.

Response from ADEC: The third paragraph of the Emission Unit Inventory and Description revised as requested by the commenter for clarity.

103) Revise the **Emissions Summary (Table I)** as shown below:

Table I - Emissions Summary, in Tons Per Year (TPY)

Pollutant	NO _x	CO	PM-10	SO ₂	VOC	HAPs	CO ₂ e ³²	Total (excl. CO ₂ e)
PTE	<u>3,314</u> 3,341	<u>1,077</u> 1,080	<u>129</u> 130	<u>322</u> 324	<u>468</u> 429	<u>60.7</u> 36.1 ¹	<u>1,133,172</u> 1,044,826	<u>5,370</u> 5040
Assessable PTE	<u>3,314</u> 3,341	<u>1,077</u> 1,080	<u>129</u> 130	<u>322</u> 324	<u>468</u> 429	0	0	<u>5,309</u> 5,004

Table Note: 1) HAP total is ~~22~~51.8 tpy for CPF-1 production pad emission units only.

Basis: 1) Updates are the result of removing EU IDs 21, 34, 56 and 58 – 63, as well as correcting a typographical error for CO emissions and VOC/HAP emissions estimation updates that apply to uncontrolled produced water tanks at CPF-1. Our updated criteria, GHG, and HAP emissions estimates are attached to these comments.

2) Our November 2011 submittal of information pertaining to estimated GHG emissions was stated in units of tonnes/yr. The revised CO₂e value shown here is in units of tons/year and accounts for the removal of EU IDs 21, 34, 56 and 58 – 63 from the permit.

Response from ADEC: ADEC has revised Table I of the SOB to reflect updated emissions summary information as provided by the commenter.

104) Revise the paragraphs following Table I as follows:

“... quantities greater than 10 TPY other than CO₂e. ~~or greater than GHG permitting thresholds³³.~~ For the combustion emission units and the volatile organic liquid storage tanks, essentially all the Hazardous Air Pollutant (HAP) emissions are a subset of the VOC emissions, so HAP emissions are not included in the total column for the row labeled assessable “PTE”. Doing so would double count emissions. ... The emissions listed in Table I are estimates ~~that are to be used for informational use purposes only.~~ The listing of the emissions does not create an enforceable limit to the stationary source.

Potential criteria pollutants and HAPs emissions were estimated in the November 2009 and March 2011 amended permit renewal ~~application applications and supplemental data submittals.~~ The PTE for criteria pollutants was estimated based on AP-42 emission factors, EPA’s tanks 4.09d program, and any allowable emission rates and/or operational limits applicable to emission units at the stationary source. Potential emissions of SO₂ are estimated based on mass balance and an assumed fuel gas H₂S content of 200 ppmv and liquid fuel sulfur content of 0.25 percent by weight, ~~except for emission units with a fuel sulfur limit of 0.15 percent by weight.~~ For Greenhouse Gas (GHG) Emissions CO₂e, CPAI submitted calculations on November 1, 2011. CPAI estimated PTE based on the emission factors found in 40 C.F.R. 98, Subpart C, Tables C-1 and C-2.

HAP emissions were calculated using GRI-HAPCalc Version 3.01 software, AP-42 emission factors, and, for turbine formaldehyde emissions, the results of an August 2005 CPF-3 Frame 5 HAP stack test conducted by the Permittee. ~~Each individual HAP has a PTE less than 10 TPY.~~ Based on revised estimates of HAP emissions from produced water tanks, the estimated aggregated HAP total emission rate is ~~22~~51.8 TPY from emission units at the CPF-1 production pad. The highest individual HAP is ~~HCl-n-hexane~~ (due

~~entirely~~ largely to potential emissions from the CPF-1 ~~incinerators~~ VOL storage tanks) with an estimated emission rate of ~~626.8~~ TPY.”

Basis: 1) 18 AAC 50.410 says fees apply to “each *air pollutant* for which projected emissions are 10 tons per year or greater” (emphasis added). The current rules do not use the term “regulated air pollutant” and there is no mention of the fees threshold for CO₂e/GHG emissions. Therefore, referring to the “GHG permitting thresholds” for fees applicability for CO₂e is a bit premature at this point. We request that the Statement of Basis language match the regulations in effect at the time of permit issuance. If the time comes that fees are to be paid on CO₂e emissions, we request that ADEC prepare an administrative amendment to the permit, referring to the CO₂e emissions documented in Table I of the Statement of Basis, and documenting the basis for fees that will apply to CO₂e emissions, including the threshold that are adopted into the regulations after the regulations have been updated. Further, as shown in our edit above, draft permit footnote 33 should be deleted at this point in time. If ADEC elects not to delete footnote 33 as suggested, then change “November 2010” to “March 2011” in the footnote. The EPA document referenced in the footnote was replaced in March 2011 with an updated version.

2) Also, we believe it is important to specifically exclude the CO₂e emissions from the 10 tpy fee threshold as shown in our proposed revision above since CO₂e emissions have been added to Table I.

3) The 0.15% by weight fuel sulfur content limit applied only to EU IDs 58 – 63, which have been removed from the permit per our 3/5/12 request to discontinue the terms and provisions of minor permit AQ0267MSS03 that apply specifically to developmental drilling at DS1E and DS1J as such drilling is complete.

4) The changes outlined here reflect our most recent estimate of HAP emissions from CPF-1. The emissions estimate changes are due primarily to revised estimates of HAP and VOC emissions from the uncontrolled produced water (PW) tanks at CPF-1. We are continuing to assess our emissions estimation process and may in the future revisit our emissions estimates for the PW tanks.

Response from ADEC: ADEC accepted the changes as requested by the commenter to clarify the emission discussion following Table I of the draft SOB. ADEC also added that CPAI updated their HAP emission calculations as Attachment E, December 31, 2013.

105) Add the following discussion to the **Previous Air Quality Permit to Operate** section.

“The final permit-to-operate issued to this stationary source is Permit to Operate no. 9373-AA004, as amended through January 3, 1997. This permit included all construction authorizations issued through January 3, 1997.”

Basis: This provides pertinent information regarding the last permit-to-operate issued to the CPF-1 source prior to the divided operating / construction permitting era that began in 1997.

Response from ADEC: ADEC revised the Statement of Basis as requested by the commenter to add detail.

106) Revise the paragraphs following the **General Permit Revisions and Corrections** bulleted list as follows:

~~“Minor Stationary Source Permit No. AQ0267MSS03 was issued December 14, 2007 and authorized the use of two well injection pump engines at DS1R. The terms and conditions of Minor Stationary Source Permit No. AQ0267MSS03, issued December 14, 2007 and Minor Stationary Source Permit No. AQ0267MSS04, issued October 20, 2009 are incorporated into Title V permit no. AQ0267MSS04. These permits authorize the use of two well injection pump engines at DS1R. Permit No. AQ0267MSS04 rescinded and replaced Condition 3.3 of Minor Stationary Source Permit No. AQ0267MSS03 (i.e., record keeping requirement for NOx PSD avoidance condition for EU IDs 64 and 65). Also found at DS1R is a drill site production heater and a freeze protection pump which were authorized to operate at DS1R prior to the issuance of permit AQ0267MSS03.~~

~~Minor Stationary Source Permit No. AQ0267MSS04 was issued October 20, 2009 which rescinded and replaced Condition 3.3 of Minor Stationary Source Permit No. AQ0267MSS03 (i.e., record keeping requirement for NOx PSD avoidance condition for EU IDs 64 and 65).~~

All stationary source-specific requirements established in permit nos. 9373-AA004 (those not revised by permit no. 267CPT01), 267CPT01, 9773-AC016 Rev A, (Rev 1), AQ0267MSS02, AQ0267MSS03, AQ0267MSS04, and AQ0267TVP01, Revision 2 are included in Operating Permit No. AQ0267TVP02.”

Basis: 1) Our proposed/requested changes provide greater historical context to the discussion and more information about the purposes of the various permits and how they affected revisions made to the Title V permit for CPF-1.

2) There are three conditions from permit 9373-AA004 carried forward to this TVP02 permit, so it should be referenced in the discussion above.

Response from ADEC: ADEC accepted the requested changes to paragraphs following the **General Permit Revisions and Corrections** heading to provide better historical context to the Title I (Construction and Minor) Permits section of the SOB. ADEC corrected a typographical error in the commenter’s request and retained consistent permit number formatting.

107) Revise the paragraphs following Title V Operating Permit Application, Revisions and Renewal History as follows:

“The most recent Title V operating permit issued for this ...

The owner or operator submitted an application on November 19, 2007. Additional information (emission calculations) was received on June 2, 2008. The application was amended on November 19, 2009 and March 7, 2011.

The Permittee also submitted a permit revision request on March 5, 2012. The Permittee has indicated that the construction As such, the Permittee has requested the Department “sunset”, as obsolete

Updates to the emission unit inventory have been made in permit AQ0267TVP02 compared to previous Title V operating permit no. AQ0267TVP01. The updates and their bases are documented in Table J.

Basis: 1) CPAI provided supplemental/ amended information to the Department on March 7, 2011 as part of our comments pertaining to the first pre-PN draft CPF-1 permit.

2) We believe documentation of revisions made to the emissions unit inventory included in the Title V permit should be included in the section of the Statement of Basis titled “Title V Operating Permit Application, Revisions, and Renewal History”.

As such, we request that the Department move draft Statement of Basis Table P to the end of this section of the Statement of Basis, where it will become Table J. Above we propose introductory language to be inserted just prior to the “Emission Unit Inventory Revisions” table.

Response from ADEC: ADEC revised the paragraphs following **Title V Operating Permit Application, Revisions and Renewal History** as requested by the commenter for clarity. ADEC also moved draft SOB Table P (now Table J) as requested – also see related response to Comment 108) below. ADEC edited the statement regarding drilling that occurred since 2009 as ADEC has not confirmed CPAI’s assertion that all drilling at 1E and 1J pads should be considered as routine drilling under Permit No. AQ0909TVP01.

- 108) Move **Table P** to the end of the **Title V Operating Permit Application, Revisions, and Renewal History** section of the Statement of Basis as suggested in Basis #2 of our previous comment. The relocated table will become **Table J**. We also propose eliminating the column of the table titled “Permit Application” as we believe that information is no longer useful and adding a new column that documents the EU ID numbers of emission units as found in previous versions of the permit. We also request that ADEC add a row for EU ID 21 to document its removal from the source. In summary, we suggest that draft Statement of Basis Table P look like the table below when moved to its new location in the Statement of Basis.

Table J – Emission Unit Inventory Revisions

EU ID (See Table Note 1)	Tag No.	Emission Unit Description	Rating/ Size	Explanation
Engines				
	P-1E02	GM Detroit Allison Freeze Protection Pump (1E)	240 hp	Removed from service and no longer located at Drill Site 1E
Liquid Fuel-Fired Equipment				
21	P-CL04-ECC	GM Detroit Allison Water Booster Pump	215 hp	Removed from service and no longer located at CPF-1
Storage Tanks				
	T-175	Emulsion Breaker	595 bbls	Not subject to any enforceable requirements (as of 10/15/03, NSPS Subpart Kb no longer applies)
	T-176	Triethylene Glycol (TEG)	595 bbls	Not subject to any enforceable requirements (as of 10/15/03, NSPS Subpart Kb no longer applies)
	T-177	Ideal Plus (Lube Oil)	476 bbls	Not subject to any enforceable requirements (as of 10/15/03, NSPS Subpart Kb no longer applies)

EU ID (See Table Note 1)	Tag No.	Emission Unit Description	Rating/ Size	Explanation
	T-178	Methanol	357 bbls	Not subject to any enforceable requirements (as of 10/15/03, NSPS Subpart Kb no longer applies)
	T-1009	Waste Hydrocarbons (Recycle)	870 bbls	Not subject to any enforceable requirements (as of 10/15/03, NSPS Subpart Kb no longer applies)
	T-1H01	Corrosion Inhibitor (Drill Site 1H)	870 bbls	Not subject to any enforceable requirements (as of 10/15/03, NSPS Subpart Kb no longer applies)
	T1-P101A	Divert Tank (Crude Oil)	55,000 bbls	In a letter to CPAI dated August 18, 2006, EPA determined that these tanks fall within the definition of process tanks in 40 C.F.R. 60.111b (as amended 10/15/03), which are exempt from Subpart Kb.
	T1-P101B	Divert Tank (Crude Oil)	55,000 bbls	
Flares				
34	PF1	Portable Flare	150 Mscf/day 16.2 MMscf/yr	Removed per 3/5/12 CPAI request to sunset obsolete AQ0267MSS02, Revision 1 Conditions.
Portable Storage Tanks				
56	Various	Temporary Crude Oil Storage Tank(s)	<10,000 gallons each	Removed per 3/5/12 CPAI request to sunset obsolete AQ0267MSS02, Revision 1 Conditions.
Drilling Rig (Portable Emission Units) at Drill Sites 1E and 1J				
58	Various	Drill Rig Engines	Various	Removed per 3/5/12 CPAI request to sunset obsolete AQ0267MSS02, Revision 1 Conditions.
59	Various	Drill Rig Heaters and Boilers	Various	Removed per 3/5/12 CPAI request to sunset obsolete AQ0267MSS02, Revision 1 Conditions.
60	Various	Rig Camp Engines	Various	Removed per 3/5/12 CPAI request to sunset obsolete AQ0267MSS02, Revision 1 Conditions.
Generic Well Servicing Equipment and Well Frac Units (Portable Emission Units) at Drill Sites 1E and 1J				
61	Various	Well Servicing Heaters	Various	Removed per 3/5/12 CPAI request to sunset obsolete AQ0267MSS02, Revision 1 Conditions.
62	Various	Well Servicing Engines	Various	Removed per 3/5/12 CPAI request to sunset obsolete AQ0267MSS02, Revision 1 Conditions.

EU ID (See Table Note 1)	Tag No.	Emission Unit Description	Rating/ Size	Explanation
63	Various	Well Frac Unit Engines	Various	Removed per 3/5/12 CPAI request to sunset obsolete AQ0267MSS02, Revision 1 Conditions.

Note 1: EU ID numbers are provided only for units that were included in Rev 2 of permit AQ0267TVP01.

Response from ADEC: ADEC has agreed to the request to re-order the tables in the SOB. As such, Table P is moved to now be Table J in the SOB; and subsequent tables are re-numbered (i.e., Table J becomes Table K, etc.). Additionally, Table P (now Table J) is revised as requested to show the corresponding EU IDs and to provide an explanation of why the emission units are no longer included in Table A of AQ0267TVP02. Note that under CPAI's September 27, 2013 request to add AQ0267MSS05 to this renewal permit, ADEC has added a new Table O and renumbered the remaining tables.

109) Revise the Applicable Requirements From Pre-Construction Permits section as follows:

"Incorporated by reference at 18 AAC 50.326(j), 40 C.F.R. Part 71.6 defines "applicable requirement" to include the terms and conditions of any pre-construction permit issued under rules approved in Alaska's State Implementation plan and any pre-construction permits issued by U.S.EPA.

Alaska's State Implementation Plan ~~included~~ includes the following types of pre-construction permits:

- Permit-to-operate issued before January 18, 1997 (these permits cover both construction and operations);
- Construction Permits issued ~~after~~ effective January 17, 1997 or later; and
- Minor permits issued ~~after~~ effective October 1, 2004 or later.

<...>

Table K ~~Table J~~,... and Table P ~~Table O~~ below ~~lists~~ list the requirements carried over ... AQ0267TVP02 to ensure compliance with the applicable requirements. These tables do not include standard and general conditions."

Basis: We ask that the Department use the version of this language found in the corresponding section of the BPXA Flow Station #1 permit Statement of Basis (permit no. AQ0167TVP02) as found on page 9 of the FS-1 permit Statement of Basis.

Response from ADEC: ADEC agrees that the edits add clarity. As such, it revised the Statement of Basis text as requested by the commenter to be consistent with other recent Title V permits, as provided by example with additional stylistic edits for consistent permit number references. Since ADEC added a table for AQ0267MSS05, the draft final SOB table numbers do not match that requested.

110) Revise **Table J** (presented as Table K in the RLSO markup of the Statement of Basis provided with these comments) as follows:

Table J-Table K - Comparison of Construction Permit No. 267CPT01 Conditions to Operating Permit No. AQ0267TVP02 Conditions³⁵

Permit No. 267CPT01 Condition number	Description of Requirement	Permit No. AQ0267TVP02 Condition Number	How condition was revised
3 and Exhibit A	Source Emission unit inventory list	Section 2 Section 1	Same requirements.
4 and Exhibit B	BACT and other Emission Limits. <u>H₂S content of natural gas fuel used and sulfur content of liquid fuel.</u>	17 - 20, 23, 34	Same requirements <u>except the liquid fuel sulfur content of 0.5% for heater H-102A is not carried forward because this heater is no longer capable of firing liquid fuel.</u>
5 and Exhibit C	Monitoring – Fuel gas meters for Turbines and Heaters. H₂S content of natural gas fuel used.	<u>21, 23, and 16.1</u>	Same requirements.

Basis: 1) All conditions in the TVP02 permit that cite permit 267CPT01 should be included in this table.

2) Condition 16.1 should not be included in this table as its requirements are not found in permit 267CPT01.

3) We believe the bases for our other requested changes are self-evident as they correct errors in the table and make the information in the table internally consistent.

Response from ADEC: ADEC accepted the requested change to add clarity and correct inaccuracies in draft SOB Table J (now Table K) and to update that H102-A can no longer fire liquid fuels.

111) Revise **Table K** (presented as Table L in the RLSO markup of the Statement of Basis provided with these comments) as follows:

Table K-Table L - Comparison of Construction Permit No. 9773-AC016 Conditions to Operating Permit No. AQ0267TVP02 Conditions³⁶

Permit No. 9773-AC016 267CPT01 Condition number	Description of Requirement	Permit No. AQ0267TVP02 Condition Number	How condition was revised
<...>			
IV.E	Monitor, record and report the hours of operation of sources <u>emission units</u> in Condition IV.A	22	Same requirements. Different format.
V.A.3	Limits on fuel type and quality	23 and 16.1	No change.

Permit No. 9773-AC016 267CPT01 Condition number	Description of Requirement	Permit No. AQ0267TVP02 Condition Number	How condition was revised
V.B, VII.C.3, VI.B.3	Monitoring and recordkeeping – the Permittee shall conduct periodic fuel tests or obtain vendor certification of fuel sulfur content.	23 23.2 and 48.1	Deleted “or obtain vendor certification of the fuel sulfur content”. Fuel vendors do not certify the sulfur content of their fuel.
V.C	Reporting – the Permittee shall report fuel sulfur test results or copies of vendor certification.	23.2 23.3 and 48.3.a	Deleted “or copies of vendor certification of the fuel sulfur content”. Fuel vendors do not certify the sulfur content of their fuel.
VI.A	40 CFR C.F.R. 60, Subpart A – General Requirements	34 through 43 42	Included all applicable requirements of 40 CFR C.F.R. 60, Subpart A.
IX.B.2 and VI.B	40 CFR C.F.R. 60, Subpart GG (SO ₂)	47 and 48	MR&R requirements are based on EPA granted custom fuel monitoring and applicable Subpart GG requirements.
VII.C.1 & C.2	Conduct a visible emission surveillance no less than once each calendar year and upon Department request conduct a particulate matter emission test or visible emission surveillance to <u>demonstrate compliance with the limits in 18 AAC 50.055(a)(1) and (b)(1).</u>	1.1-1 and 19	Replaced condition. The monitoring for gas-fired emission units for visible emissions is waived. The Department has found that natural gas-fired equipment inherently has negligible PM emissions. Monitoring shall consist of an annual compliance certification. For gas-fired units subject to 10% opacity limits, conduct a visible emissions observation no less than once a year.
<...>			
IX.B.1.d and III.D.1.a	NO _x Monitoring for EU ID 14	20.2	No change. Added Method 7E for the process heaters as method 20 is for Turbines.
IX.B.1. and IX.C.1	NO _x Recordkeeping and Reporting for EU ID 14	20.2.a 20.2	Replaced with current recordkeeping and reporting requirements for NO _x . The requirements in conditions IX.B.1.a & b and IX.C.1.a had already been fulfilled and are no longer applicable. The requirements in conditions IX.B.1.c & e and IX.C.1.b & c were not triggered and are therefore no longer applicable.

Basis: 1) Regarding the **IV.E** row: there is no fuel limit stated in Condition 16.1 that is carried forward from permit 9773-AC016.

2) Regarding the **V.B, VII.C.3, VI.B.3** row: monitoring and recordkeeping is stated in draft permit Condition 23.2, not Condition 23. (Note: draft permit Condition 23.2 will become Condition 23.1 when changes are made as proposed in the attached RLSO markup of the permit.)

3) Regarding the **V.C** row: reporting is stated in draft permit Condition 23.3, not in draft permit Condition 23.2. (Note: draft permit Condition 23.3 will become Condition 23.2 when changes are made as proposed in the attached RLSO markup of the permit.)

4) Regarding the **VI.A** row: the NSPS Subpart A conditions span draft permit Conditions 34 through 43.

5) Regarding the **IX.B.2 and VI.B** row: the NSPS Subpart GG SO₂ limit is stated in permit 9773-AC016, which applies to EU ID 14. EU ID 14 is not subject to NSPS Subpart GG NO_x limits.

6) Regarding the **VII.C.1 & C.2** row: the MR&R stated in Conditions VII.C.1 and VII.C.2 pertain to demonstrating compliance with 18 AAC 50.055(a)(1) and (b)(1). There is no 10% opacity limit for emission units that are the subject of permit 9773-AC016. Secondly, draft TVP02 permit Condition 19 applies to EU ID 36, which is not part of permit 9773-AC016.

7) Regarding the **IX.B.1.d and III.D.1.a** row: III.D.1.a is not a source-specific requirement. Therefore, we ask that it not be included in the table. In addition, Condition IX.B.1.d applies to EU ID 14 only so we request clarification of that point in the table. Finally, heater testing is not pertinent to this condition since EU ID 14 is a turbine.

8) Regarding the **IX.B.1. and IX.C.1** row: draft permit Condition 20.2.a is the specific condition that addresses NO_x recordkeeping and reporting for EU ID 14.

***Response from ADEC:** ADEC accepted the requested changes to add clarity and correct inaccuracies in draft SOB Table K (now Table L). The draft final permit condition numbers do vary from that requested in SOB Table L due to permit condition renumbering in response to earlier comments and to add conditions from AQ0267MSS05.*

112) Revise **Table L** (presented as Table M in the RLSO markup of the Statement of Basis provided with these comments) as follows:

Table L-Table M - Comparison of Previous Minor Source Specific Permit No. AQ0267MSS02 Condition to Operating Permit No. AQ0267TVP02 Conditions³⁷

Permit No. AQ0267MSS02 Condition number	Description of Requirement	Permit No. AQ0267TVP02 Condition Number	How condition was revised
<...>			
6	Off Permit Changes	None	Per CPAI, construction and post construction phases of development at drill sites 1E and 1J were complete in 2009. This requirement has been retired.
<...>			
8, 9, 10,	Limits on fuel combustion by drill rig operations	None	Per CPAI, construction and post-construction phases of development at drill sites 1E and 1J were completed in 2009. This requirement has been retired. EU IDs 34 and 58-63 were removed from the source and eliminated from the permit.
11, 12.3, 13.3	Monitor, record, and report daily and monthly fuel consumption	None	Per CPAI, construction and post-construction phases of development at drill sites 1E and 1J were completed in 2009. This requirement has been retired. EU IDs 34 and 58-63 were removed from the source and eliminated from the permit.
12	Limits on fuel consumption by well service heaters and engines and well frac unit engines	None	Per CPAI, construction and post-construction phases of development at drill sites 1E and 1J were completed in 2009. This requirement has been retired. EU IDs 34 and 58-63 were removed from the source and eliminated from the permit.
13	Limits on gas burned in portable flare	None.	Per CPAI, construction and post-construction phases of development at drill sites 1E and 1J were completed in 2009. This requirement has been retired. EU IDs 34 and 58-63 were removed from the source and eliminated from the permit.
<...>			

Permit No. AQ0267MSS02 Condition number	Description of Requirement	Permit No. AQ0267TVP02 Condition Number	How condition was revised
15	Limit fuel oil sulfur content to 0.150% by weight and field-fuel gas H ₂ S content to 275 ppmvd	23	Same <u>fuel gas requirement</u> requirements for production heaters in a different format. Per CPAI, construction and post-construction phases of development at drill sites 1E and 1J were completed in 2009. EU IDs 34 and 58-63 were removed from the source and eliminated from the permit <u>and the fuel oil sulfur limit established by this permit was not carried forward.</u>
16	Limit combined SO ₂ emission from drill rig heaters and boilers, production heaters, and portable flare to no greater than 35 tons per 12 consecutive month period.	29	Same requirement for production heaters. Per CPAI, construction and post-construction phases of development at drill sites 1E and 1J were completed in 2009. EU IDs 34 and 58-63 were removed from the source and eliminated from the permit.
17	Limit VOC emissions from the temporary crude oil storage tank to no greater than 34 tons per 12 consecutive month period. Record, estimate, and report emissions.	None.	Per CPAI's 3/5/12 request, this project is complete. Therefore, emissions limits for project-specific flowback emissions associated with the Temporary Crude Oil Storage Tanks (EU ID 56) are complete. EU ID 56 was removed from the source and eliminated from the permit.
18, 18.1, 18.2, 18.3, 18.4	Visible emission limits and associated monitoring and reporting	1 through 5	Same requirements in a different format for production heaters. EU IDs 59, 60, and 34 were removed from the source and eliminated from the permit.
19, 19.1, 19.2, 19.3	Particulate matter emission limit and associated monitoring and reporting	7	Same requirements in a different format for production heaters. EU IDs 59, 60, and 34 were removed from the source and eliminated from the permit.

Permit No. AQ0267MSS02 Condition number	Description of Requirement	Permit No. AQ0267TVP02 Condition Number	How condition was revised
20	Sulfur compound emission limit	16	Same requirements in a different format for production heaters. EU IDs 59, 60, and 34 were removed from the source and eliminated from the permit.
21, 22	Emission fees	74 and 75	Same requirement, different format.
Section 4	Public access control plan for ambient air boundaries	Section 14 None	Public access control was established and enforced only during post construction phase of drill site 1E and 1J development, which has been completed per CPAI. Same requirement, different format.
Section 5	Emission unit inventory	Table A	Generic emission units have been grouped into single emission unit identifiers. EU IDs 34, 56, and 58-63 have been removed from the source and eliminated from the permit.

Basis: 1) Regarding the **title of the table**: we believe it is not appropriate to use the word “previous” to describe historical permits that are still active (i.e., have not expired).

2) Regarding the **Condition 6 and Conditions (21, 22)** rows: these are general conditions and not source-specific. Therefore, we request that they not be included in the table.

3) Regarding the **Conditions (8, 9, 10), (11, 12.3, 13.3), 12, 13, and 15 through 20 and Section 5** rows: EU IDs 58 through 63 are still used at CPF-1 drill sites, but are to be operated under the KRU TDR permit, so the statements indicating that these units have been removed from the source are incorrect.

4) Regarding the **Section 4** row: the public access control plan requirement applied to developmental drilling permit provisions that have been removed from the permit, so the requirement will not be carried forward to the TVP02 permit per our Comment 97).

5) Regarding the **Section 5** row: the statement on how the permit was revised pertaining to grouping of generic emission units is no longer applicable as the units described here have been removed from the permit.

Response from ADEC: ADEC accepted the requested changes to add clarity and correct inaccuracies in draft SOB Table L (now Table M). These revisions provide improved detail regarding specified revised Minor Source Specific Permit No. AQ0267MSS02 conditions incorporated into Operating Permit No. AQ0267TVP02, as well as clarifying the basis for removing EU IDs 58 through 63 from those listed conditions. ADEC acknowledges the commenter's note that EU ID 58 through 63 have not been removed from this stationary source drill sites, but are merely operating under AQ0909TVP01 for temporary drilling activities instead of this renewal operating permit.

- 113) Revise **Table M** (presented as Table N in the RLSO markup of the Statement of Basis provided with these comments) as follows:

Table M-Table N - Comparison of ~~Previous~~ Minor Source Specific Permit No. AQ0267MSS03 Condition to Operating Permit No. AQ0267TVP02 Conditions³⁹

Permit No. AQ0267MSS03 Condition number	Description of Requirement	Permit No. AQ0267TVP02 Condition Number	How condition was revised
<...>			
3	Limit combined total fuel consumption for EU IDs 64 and 65 to no more than 148,000 gallons per 12 consecutive month period	30	Same requirement, <u>including the revised version of Condition 3.3 established under permit AQ0267MSS04.</u>
<...>			

Basis: Regarding the **title of the table**: we believe it is not appropriate to use the word “previous” to describe historical permits that are still active (i.e., have not expired).

Response from ADEC: ADEC agrees that the word “Previous” in the table title is superfluous. ADEC also agrees that the draft final permit language is now consistent with the revised AQ0267MSS04 Condition 3. Table M (now Table N) of the draft final SOB was revised as requested by the commenter. Draft final permit numbers may vary from the numbers that the commenter proposed.

- 114) Revise the title of **Table N** (presented as Table O in the RLSO markup of the Statement of Basis provided with these comments) by deleting the word “previous”.

~~“Table N-Table O – Comparison of Previous Minor Source Specific Permit No. AQ0267MSS04 Conditions...”~~

Basis: We believe it is not appropriate to use the word “previous” to describe historical permits that are still active (i.e., have not expired).

Response from ADEC: ADEC agrees that the word “Previous” in the table title is superfluous. Table N (now Table O) of the draft SOB was revised as requested by the commenter.

115) Revise **Table O** (presented as Table P in the RLSO markup of the Statement of Basis provided with these comments) as follows:

Table O-Table P - Comparison of Previous Operating Permit No. AQ0267TVP01 Condition to Operating Permit No. AQ0267TVP02 Conditions⁴⁰

Permit No. AQ0267TVP01 Condition number	Description of Requirement	Permit No. AQ0267TVP02 Condition Number	How condition was revised
Table 1	Emission Unit Inventory	Table A	Update turbine P EF52-B (EU ID 5). This turbine was up-rated from a TB5000 to a TB5400 unit as of September 2003. Notification of this up-rate was made—an off permit change sent to the Department September 5, 2003.
1.1	Assessable Emissions	75	Updated the CPF-1 assessable PTE.
5.1b	Sulfur Compound Emissions, Arctic Diesel Fuel	46	Add conditions to detail actions required if certain sulfur content thresholds are exceeded. The proposed revisions allow CPAI to calculate the emissions based on the measured fuel sulfur content, and then take appropriate actions based on the results of the calculations.
10	Fuel Consumption Monitoring for EU IDs 1 - 50	21	Condition revised to reference “fuel” instead of “fuel gas” to clarify the requirements to monitor and report liquid fuel consumption by dual fired units (EU IDs 4 through 9, 12, 13, and 15).
NA	<u>Installation of Replacement Units at DS1R</u>	<u>24</u>	Conditions carried forward from permits AQ0267MSS03 and AQ0267MSS04 were not included in AQ0267TVP01 permit.
NA	<u>Limit combined total fuel consumption for EU IDs 64 and 65 to no more than 148,000 gallons per 12 consecutive month period</u>	<u>30</u>	Conditions carried forward from permits AQ0267MSS03 and AQ0267MSS04 were not included in AQ0267TVP01 permit.

Permit No. AQ0267TVP01 Condition number	Description of Requirement	Permit No. AQ0267TVP02 Condition Number	How condition was revised
NA	NSPS Subpart A Excess Emissions and Monitoring Systems Performance Report and Summary Report Form	36	The July 8, 2004 amendment to NSPS Subpart GG clarifies that all turbines subject to the Subpart GG SO ₂ standard are required to be included in periodic reports required under 40 C.F.R. 60.7(c) and (d). These new conditions outline the applicable requirements.
NA	NSPS Subpart A Performance (Source) Tests	38	40 C.F.R. 60.8 requirements were added to the permit to include the applicable provision to conduct source tests for NSPS-affected emission units, if requested by the Administrator.
NA	NSPS Subpart A, Monitoring.	42	40 C.F.R. 60.13 requirements were added to the permit to include the specific applicable provisions that apply to operation and maintenance of a CEMS. This language was added because it is applicable via NSPS Subpart J and the EEMSPR requirement.
26	NSPS Subpart GG NO _x Standard Initial Periodic Testing and Substituting Test Data	47	Subpart GG periodic testing requirements have been revised to more accurately reflect the requirements as applicable to an existing facility.
32 27	NSPS Subpart GG Fuel Sulfur Monitoring and Reporting	48	Revise this condition to include the EPA-approved NSPS Subpart GG Fuel Sulfur Monitoring Requirements (as of July 8, 2004 revision) with revisions as allowed under EPA-approved October 2, 1997 alternate H ₂ S sampling method and the July 3, 1996 and April 6, 2004 <u>December 7, 2007</u> custom fuel monitoring <u>schedules</u> <u>schedule</u> .

Permit No. AQ0267TVP01 Condition number	Description of Requirement	Permit No. AQ0267TVP02 Condition Number	How condition was revised
33 28	NSPS Subpart J SO ₂ Emission Standard	45	Revised condition so that it is consistent with the actual limitation expressed in the NSPS
44	<u>Charging Rate ORL for EU ID 36</u>	32	<u>Clarified the basis for this owner-requested limit</u>
88	<u>Operating Reports</u>	98	<u>Changed the reporting deadlines for the first, second and third quarterly reports to allow 45 days after each quarter to submit the report.</u>
NA	Emission Inventory Reporting	101	Emission inventory reporting condition added.
NA	NESHAP Subpart ZZZZ	55 – 62	Added applicable NESHAP Subpart ZZZZ to permit. EU IDs 19, 20, 22 through 28, and 64 through 66 shall comply with these requirements beginning no later than May 3, 2013.
NA	NESHAP Subpart CCCCCC	63 – 66	Added NESHAP Subpart CCCCCC applicable to EU ID 67 37 (portable gasoline dispensing tank).
Table 4	Permit Shield Granted	Table G	Added permit shield for NESHAP Subparts NSPS Subpart EEEE, YYYY, and ZZZZ, and NESHAP Subparts-BBBBBB , and CCCCCC with applicable explanations.

~~Table P lists emission units that have been removed from the regulated emission unit inventory.~~

Basis: 1) Regarding the “**Table 1**” row: the information listed in this row of the draft table describes a change made at CPF-3 and is not applicable to CPF-1.

2) Regarding the **Condition 5.1b** row: this is a standard permit condition and not source-specific. In addition, there is very little difference between the TVP01 and TVP02 permit language for this condition.

3) Regarding the **new TVP02 Conditions 24 and 30** rows: we request that the Department include these rows in order to document the inclusion of conditions from minor permits AQ0267MSS03 and MSS04 that were not found in the TVP01 permit.

4) Regarding the row that describes **new TVP02 Conditions 36 and 38**: these conditions are not source-specific, the basis describing how the condition was revised is incorrect, and these conditions are not new to the TVP02 permit. Therefore, we ask

that these rows be removed from the table.

5) Regarding the **Condition 26** row: there is very little change in the TVP02 condition compared to the TVP01 permit. Also, the referenced TVP01 condition number (Condition 26) is incorrect. Because there is no significant change to the condition, we ask that ADEC delete this row from the table.

6) Regarding the **Condition 27** row: the referenced condition number for permit AQ0267TVP01 (**Condition 27**) is incorrect. It should be Condition 32. In addition, the existing condition contains all of the cited dates except the 12/7/07 Custom Fuel Monitoring Schedule (CFMS). Therefore, the description on how the condition was revised should be revised accordingly as shown above.

7) Regarding the **Condition 28** row: the referenced condition number for permit AQ0267TVP01 (**Condition 28**) is incorrect. It should be Condition 33.

8) Regarding the proposed new **Condition 44** row: we ask that ADEC state here that the documented basis for the charging rate ORL that applies to EU ID 36 has been corrected in this permit. See our Comments 41) and 149).

9) Regarding the proposed new **Condition 88** row: a change has been made to the TVP02 permit regarding the operating report deadline compared to the TVP01 permit, so this condition should be included in the table.

10) Regarding the **new Condition 101** row, this is not a source-specific condition, so it should not be included in the table.

11) Regarding the **row pertaining to NESHAP Subpart ZZZZ**: the permit conditions that have been added to the TVP02 permit span over the range of draft permit Conditions 55 through 62.

12) Regarding the **row pertaining to NESHAP Subpart CCCCCC**: the permit conditions that have been added to the TVP02 permit span over the range of draft permit Conditions 63 through 66 and the ID number of the emission unit subject to Subpart CCCCCC is EU ID 67, not 37.

13) Regarding the **Table 4** row: all of the rules listed in the column pertaining to how the condition was revised are NESHAP rules. None of them are NSPS rules.

14) Regarding the **text that immediately follows draft Statement of Basis Table O**: this text was associated with draft Statement of Basis Table P, which we have requested that the Department move to become Table J of the Statement of Basis and we have replace this text with new text per our Comments 107) and 108).

Response from ADEC: ADEC accepted the requested changes to add clarity and correct inaccuracies and typographical errors in draft SOB Table O (now Table Q). Note that for AQ0267TV02 column, ADEC re-numbered some permit conditions in this table to comport

with changes in the draft final permit. ADEC also added Revision 2 to the header for the AQ0267TVP01 column for clarification.

116) Revise the NON-APPLICABLE REQUIREMENTS section as follows:

“Each permit is required to contain a discussion of all applicable requirements as set forth in 40 C.F.R. 71.6(a) adopted in 18 AAC 50.040(j). This section discusses ~~Standard Conditions that have been removed from the permit or are not included for specific reasons. Some of the regulations that are potentially applicable to this stationary source and the specific reasons why these rules are not included in the permit. Additional information for other rules is included in the permit shield provided as Table G of the permit.~~

40 C.F.R. 63 (NESHAP) Subpart HH: ...Further, the black oil exemption §63.760(e)(1) applies for the Subpart HH rule. ~~for area sources of HAP as well.~~

40 C.F.R. 60 (NSPS) Subpart KKKK: Although the ~~Permittee has~~ source includes several ~~CIICE~~ turbines (EU IDs 1 - 14), they are not currently ~~applicable to~~ affected by the provisions of this Subpart as they have not been modified or reconstructed since the Subpart applicability date. The permit shield reflects this qualified non-applicability determination.

40 C.F.R. 64 Compliance Assurance Monitoring (CAM) Rule: <...>

Risk Management Plan (RMP); 40 C.F.R. 68: The Kuparuk Central Production Facility #1...”

Basis: 1) The text in the introductory paragraph of this section refers to the limits of Subpart HH, Subpart KKKK, 40 CFR 64 and 40 CFR 68 as “standard conditions”. We believe this is confusing as the regulations in 18 AAC 50 use this term for other types of conditions. We propose simply indicating that ADEC has elected to mention “some” conditions in this section of the Statement of Basis. Further, none of these are rules that have been “removed from the permit” as they have never been included as applicable conditions in the CPF-1 permit. Therefore, we request appropriate revisions to the introductory paragraph to correct these errors.

2) Regarding the paragraph that describes **Subpart KKKK**: this rule affects turbines, not CI ICE. We have also requested several other changes to this paragraph for clarity.

Response from ADEC: ADEC agrees with the language revisions suggested by the commenter and we have included the revisions to this section of the SOB for accuracy and greater descriptive detail.

117) Revise the Legal Basis for Conditions 1 through 6 & 15 as follows:

“**Legal Basis:** <...>

- 18 AAC 50.055(a) applies to the operation of fuel-burning equipment and industrial processes. EU IDs ~~4—501~~ - 20, 22 - 33, 37 - 50, 64, and 65 are fuel-burning equipment-or industrial processes.
- 18 AAC 50.050(a) applies to the operation of certain incinerators. EU IDs 35 and 36 are incinerators that are affected by this rule.”

Basis: 1) **Re: the first bullet above** - EU ID 34 is no longer in the permit and incinerator EU IDs 35 & 36 are not affected by 18 AAC 50.055(a). We also propose to remove the reference to EU ID 21, per our Comment 2).

2) **Re: the second bullet above** - Not all incinerators are affected by 18 AAC 50.050(a), but EU IDs 35 and 36 are among the types of incinerators that are affected.

Response from ADEC: ADEC concurs with the commenter. Therefore, ADEC revised the Legal Basis for Conditions 1 through 6 and 15 as requested by the commenter to reflect the removal of EU IDs 34 and 21. ADEC does not concur that 18 AAC 50.050(a) (visible emissions) is exclusionary for certain types of incinerators. The provision applies to all incinerators subject to the State of Alaska jurisdiction. Therefore, ADEC did not update that portion of the requested text.

118) Revise the Factual Basis for Conditions 1 through 6 & 15 as follows:

“Condition 1 prohibits the Permittee from causing or allowing visible emissions in excess of 18 AAC 50.055(a)(1).

Condition 2 prohibits the Permittee from causing or allowing visible emissions in excess of 18 AAC 50.050(a). This visible emission standard applies to the operation of any incinerator in Alaska, including an air curtain incinerator. The condition requires the Permittee to comply with the visible emission standard applicable to incinerators. The Permittee shall not cause or allow the affected incinerator to violate this standard.

MR&R requirements are listed in Conditions 3 through 6, and 15 of the permit.

These conditions have been adopted into regulation as Standard ~~Conditions~~ Permit Condition (SPC) IX. These conditions have been modified as follows: ~~the Permittee has opted not to use the Smoke/No Smoke plan, and requested that this option not be included in the permit. The Department has agreed to not include this provision in the permit. The Department also revised the Standard Permit Condition language for flares as incorporated into this permit in Condition 5 to read “The Permittee shall observe one daylight flare event within 12 months after the preceding flare event observation or within 12 months after the permit effective date, whichever is later.” The Department has also revised Footnote 3 to read “For purposes of this permit, a “flare event” is flaring of gas at a rate that exceeds the source’s de minimis pilot, purge, and assists gas rates for a minimum of 18 consecutive minutes.”~~

- The Department added a footnote in Condition 3.1 which states “Emergency operations are exempt from the visible emissions observations deadlines associated with emission unit “operation” under this condition.” The Department approved of this footnote as logistically it would be challenging to schedule and coordinate a certified reader to conduct readings during emergency operations.
- The Permittee has opted not to use the Smoke/No Smoke plan, and requested that this option not be included in the permit, so the Department did not include this provision in the condition.
- The Department revised the Standard Permit Condition language for flares by adding “or within 12 months after the permit effective date, whichever is later” at the end of the first sentence in Condition 6.
- The Department revised the deadline in Condition 15.2 for notification and commencement of Method 9 monitoring for dual fuel fired emission units from 15 days to 45 days after the end of a calendar month when the additional MR&R has been triggered. The 45-day deadline in this condition is consistent with the deadline to begin additional MR&R for liquid fuel fired emission units found in Condition 3.1.a(ii).

<...>

These conditions detail a stepwise process for monitoring compliance with the State's visible emissions ~~and particulate matter~~ standards for liquid and gas fired emission units ~~and incinerators~~. Equipment types covered by these conditions are internal combustion engines, turbines, heaters, boilers, ~~and flares, and incinerators~~. Initial monitoring frequency schedules are established for the liquid fuel-fired emission units along with subsequent reductions or increases in frequency depending on the results of the self-monitoring program.

<...>”

- Basis:* 1) The second paragraph proposed in our comment above was moved from the incinerator MR&R section and revised as shown. This text describes the limit and is better suited for presentation at this location.
- 2) The format and content of the 4th paragraph and the bullet layout proposed here is adapted from that found in PN draft permit AQ0183TVP02 for the BPXA Gathering Center 2 facility and we ask that ADEC use it in the CPF-1 permit Statement of Basis as well.
- 3) The draft Statement of Basis language stating that the definition of a “flare event” has been changed in the permit compared to the Standard Permit Condition is incorrect. The permit language matches the Standard Permit Condition language.
- 4) **Re: the last paragraph shown with edits in our comment above** - The conditions described by this section of the Statement of Basis pertain to the visible emissions standards, not to the particulate matter standard. They also pertain to incinerators and the tiered monitoring requirements apply only to the liquid fuel fired emission units. We request that ADEC include the edits shown above to clarify these points.

***Response from ADEC:** ADEC agrees with the formatting changes and clarifications requested by the commenter. However, ADEC revised the commenter’s discussion regarding the change in the Condition 15.2 notification and commencement of Method 9 monitoring deadline for dual fuel fired emission units. ADEC proposed to revise the deadline from 15 days (draft permit) to 30 days after the end of a calendar month when the additional MR&R has been triggered in the public notice permit, but reconsidered in the draft final permit because the extension is inconsistent with the standard visible emission permit condition and there is no documented basis how such an extension can better meet the requirements of 18 AAC 50 (see 18 AAC 50.346(a)). See related response to Comment 22).*

- 119) Revise the Insignificant Emission Units subsection of the Factual Basis for Conditions 1 through 6 & 15 as follows:

“For EU IDs 19, 20, 22 through 28, 64 and 65, ~~no~~ visible emissions monitoring is not required ~~because unless these units are insignificant~~ significant emission units based on actual emissions. ~~As as long as the calendar year operating time or fuel consumption does not exceed the values show shown in Table B. As long as the units do not exceed these limits, they~~ these units are insignificant by emissions rate as specified in 18 AAC 50.326(e) and no monitoring is required in accordance with Department Policy and Procedure No. AWQ 04.02.103, Topic # 3, 10/8/04. The Permittee must annually certify compliance under Condition ~~99~~100 with the ~~opacity~~ visible emissions standard.”

- Basis:* 1) The values presented in Table B of the permit are not limits. They are threshold operating times below which the listed units in Table B have insignificant emissions.
- 2) Per our Comments 8) and 9), we ask that EU IDs 64 and 65 be treated as IEUs unless their individual fuel consumption exceeds 8,350 gallons in a calendar year.
- 3) The standard in 18 AAC 50.055(a)(1) is referred to in the rule as a “visible emissions” standard, not as an “opacity” standard.

4) Our other proposed edits are to improve the clarity of the language and to remove the reference to EU ID 21, per our Comment 2).

Response from ADEC: ADEC agrees with the commenter's suggested clarifying text and revised the Insignificant Emission Units subsection of the Factual Basis for Conditions 1 through 6 and 15 of the SOB as requested by the commenter for clarity and for consistency with responses to Comments 8) and 9).

120) Revise the Gas-Fired subsection of the Factual Basis for Conditions 1 through 6 & 15 as follows:

"Gas-Fired Fuel Burning Equipment Emission Units:

Monitoring – The monitoring of gas-fired emission units for ~~particulate matter visible emissions~~ is waived, i.e. no source testing will be required. The Department has found that natural gas-fired equipment inherently has negligible ~~PM visible emissions~~. However, the Department can request a source test for ~~PM visible emissions~~ from any smoking equipment."

Basis: The context of this discussion should be visible emissions compliance in this section of the Statement of Basis, not PM compliance.

Response from ADEC: ADEC accepted the requested changes to the Gas-Fired subsection of the Factual Basis for Conditions 1 through 6 and 15 of the SOB to correct the regulated pollutant and nomenclature as suggested by the commenter. The discussion is revised in the SOB as indicated above.

121) Revise the Liquid Fuel-Fired subsection of the Factual Basis for Conditions 1 through 6 & 15 as follows:

"Liquid Fuel-Fired Burning Equipment Emission Units Other Than IEUs:

Monitoring – ~~The Permittee is required to conduct PM source testing if threshold values for opacity are exceeded.~~ The visible emissions shall be observed using Method 9 as detailed in Condition 3.

Recordkeeping - The Permittee is required to record the results of ~~PM source tests~~ all visible emissions observations.

Reporting - The Permittee is required to report: 1) the results of visible emissions observations, 2) incidents when emissions in excess of the State visible emissions standard or the BACT opacity limit have been observed, and 3) deviations from permit conditions. ~~The Permittee is required to report: 1) incidents when emissions in excess of the opacity threshold values have been observed, 2) and results of PM source tests.~~ The Permittee is required to include copies of the results of all visible emission observations with the operating report."

Basis: 1) The context of this discussion should be visible emissions compliance in this section of the Statement of Basis, not PM compliance.

2) Our proposed revisions to the "reporting" section better describe the visible emissions reporting requirements found in permit Condition 5.

Response from ADEC: ADEC accepted the requested changes to the Liquid Fuel-Fired subsection of the Factual Basis for Conditions 1 through 6 and 15 of the SOB to correct the regulated pollutant for these conditions as suggested by the commenter. ADEC revised the discussion in the SOB as indicated above, except for minor adjustments to clarify reporting item 2.

- 122) Revise the Dual Fuel-Fired subsection of the Factual Basis for Conditions 1 through 6 & 15 as follows:

“Dual Fuel-Fired Emission Units:

For ~~any of~~ EU IDs 4-9, 12, 13 and 15 as long as ~~they operate~~ the unit operates only on gas, monitoring consists of ~~an annual certification~~ a statement in each operating report that only gaseous fuels were used in the equipment. ...When any of these units operates on a backup liquid fuel for less than 400 hours in a calendar year, monitoring for that unit consists of an annual certification of compliance with the ~~opacity~~ visible emissions standard. The 400-hour trigger ...”

Basis: Our proposed revision better describes the requirement of permit Condition 1.4.

Response from ADEC: *ADEC accepted the requested changes to the Dual Fuel-Fired subsection of the Factual Basis for Conditions 1 through 6 and 15 of the SOB in order to correctly reference the requirements of Condition 1.4.*

- 123) Delete the 2nd paragraph of the flares subsection of the Factual Basis for Conditions 1 through 6 & 15.

Basis: The information provided in this paragraph is better suited as documentation to be included in a “Response to Comments” document. However, since there was no such document developed for the first PN draft CPF-1 TVP02 permit, and since we have not included the requests discussed in this paragraph with these comments for the second PN draft permit, the statements in this paragraph are not relevant in any context, not even the “Response to Comments” to be prepared for the second PN draft permit.

Response from ADEC: *The commenter is correct in that the initial public notice of the draft permit did not result in a response to comments, thereby resulting in the above referenced second paragraph inserted into the SOB. Since the commenter did not again raise the related underlying comment, ADEC agrees that the referenced paragraph need not be included in the SOB, and such is removed as requested. However, for purposes of maintaining a record of requested revisions not approved by ADEC, the paragraph that the commenter requested be deleted from the SOB is replicated below to memorialize the underlying issue and the decision reflected within this draft final permit, should the commenter resurrect this comment in the future:*

The Permittee requested that the Department modify Condition 6 to account for a situation when a flare event is deemed as intermittent (i.e. typically no more than once per year). The Department did not agree to this request, as the requirements of Condition 6 apply to all operated flares and distinction of an “intermittently” operated flare is unnecessary. The Permittee also requested that the Condition 6.2 requirement to record the volume of gas flared be deleted, based on the claim that the form in Section 11 does not include a location to record this information. The Department did not agree to this request. The Visible Emissions Form in Section 11 does provide a location to record this information as the *operating rate*, which is the box space for “Operating Mode” next to “Process Equipment”. The 4th bullet in the left column of the instruction page states “Process Equipment, Operating Mode: brief description of process equipment (include type of facility) and operating rate, % capacity, and/or mode (e.g. charging, tapping, shutdown).” The Permittee should record the volume of gas flared in this location of the Visible Emissions Form.

- 124) Revise the Incinerator Visible Emissions MR&R subsection of the Factual Basis for Conditions 1 through 6 & 15 as follows:

“Incinerator Visible Emissions MR&R:

~~This visible emission standard applies to the operation of any incinerator in Alaska, including an air curtain incinerator.~~

~~The condition requires the Permittee to comply with the visible emission standard applicable to incinerators. The Permittee shall not cause or allow the affected incinerator to violate this standard.~~

For EU IDs 35 and 36, the Permittee is required to monitor, record and report according to Condition 2 as well as Condition 19.3 for EU ID 36. ~~The monitoring requirements for incinerators are more stringent than for other fuel burning equipment since the fuels burnt are variable consisting of everything from domestic waste to medical waste. The Permittee is typically required to observe incinerators for smoke on days that they operate and, if smoke is observed, the operator must perform a Method 9 reading to determine if the Particle Matter standard is being violated with 6 months of the initial occurrence. However, t~~ The incinerators at CPF-1 have historically demonstrated no visible emissions compliance problems. As such, the Department ~~agrees with the~~ requires an annual VE monitoring schedule and Method 9 monitoring (rather than smoke/no-smoke) specified in Condition 2.1. This is consistent with permit no. AQ0267TVP01.”

Basis: 1) We have proposed to move the first two paragraphs since they do not contribute to the discussion of incinerator visible emissions MR&R, which is the topic of this section of the Statement of Basis. See also Basis #1 to our Comment 118).

2) The deleted language shown in the third paragraph does not accurately reflect the requirements of the permit.

Response from ADEC: ADEC agrees with the commenter’s request to move the first two paragraphs of the Incinerator Visible Emissions MR&R subsection to the Legal Basis for Conditions 1 through 6 and 15 as it provides detail to the legal basis of the conditions. The additional suggested changes to the Incinerator Visible Emissions MR&R subsection were made to correct the description of incinerator requirements in the draft final permit.

- 125) Revise the header that precedes the Legal Basis for Conditions 7 through 15 as follows:

“Conditions 7, and 9 through 15, Particulate Matter (PM) Standard and MR&R for Fuel-Burning Equipment”

Basis: The presentation for the PM limit that applies to incinerators is broken out and presented later in the Statement of Basis. As such, Condition 8, which addresses the incinerator PM limit, should not be referenced here. In addition, the title of this section should be revised to clarify the focus of the discussion in this section of the Statement of Basis, just as ADEC has done for the section that addresses the applicable incinerator PM standard.

Response from ADEC: ADEC concurs with the commenter. Therefore, ADEC corrected the header as requested by the commenter.

126) Revise the Legal Basis for Conditions 7, and 9 through 15 as follows:

“Legal Basis: <...>

- EU IDs ~~4—50~~ 1 – 20, 22 - 33, 37 - 50, 64, and 65 are fuel-burning equipment.”

Basis: EU ID 34 is no longer in the permit and incinerator EU IDs 35 & 36 are not affected by 18 AAC 50.055(b), which is the topic of this section of the Statement of Basis. We also propose to remove the reference to EU ID 21, per our Comment 2).

Response from ADEC: *The permit was revised as requested by the commenter to reflect the emission units that these conditions cover.*

127) Revise the 2nd Paragraph of the Factual Basis for Conditions 7 and 9 through 15 as follows:

“MR&R requirements are listed in Conditions 9 - ~~10, 13~~ 15 of the permit.”

Basis: Condition 11 outlines the PM reporting for dual fuel fired turbines and liquid fuel fired engines, while Condition 12 outlines PM monitoring for dual fuel fired heaters and incinerators, so these conditions also address part of the particulate matter MR&R requirements and should be included among the conditions listed here.

Response from ADEC: *ADEC accepted the requested comment to correct a typographical error. Additional minor revisions were made to the SOB language consistent with the equivalent provisions in the renewal operating permit’s SOB for the Flow Station #1 (AQ0167TVP02).*

128) Revise the Dual Fuel-Fired Emission Units discussion for Conditions 7 and 9 through 15 as follows:

“For any of EU IDs 4 - 9, 12, 13, and 15, as long as ~~they operate the unit operates~~ only on gas, monitoring consists of ~~certification~~ a statement in the operating report ...”

Basis: Our proposed revision better describes the requirement of permit Condition 7.4.

Response from ADEC: *ADEC accepted the requested changes to the Dual Fuel-Fired Emission Units discussion for Conditions 7 and 9 through 15 of the SOB to more consistently reflect the requirements of permit Condition 7.4 and to match language in the standard permit condition provisions from which this language was modeled.*

129) Revise the Insignificant Emission Units discussion for Conditions 7 and 9 through 15 as follows:

“For EU IDs 19, 20, 22 – 28, 65 and 65, ~~no~~ monitoring is not required ~~because~~ unless these units are ~~insignificant~~ significant emission units based on actual emissions. ~~As and as long as the calendar year operating time or fuel consumption does not exceed the values show shown in Table B, they these units are insignificant ...”~~

Basis: 1) Per our Comments 8) and 9), we ask that EU IDs 64 and 65 be treated as IEUs unless their individual fuel consumption exceeds 8,350 gallons in a calendar year.

2) Our other proposed edits are to improve the clarity of the language and to remove the reference to EU ID 21, per our Comment 2).

Response from ADEC: ADEC revised the Insignificant Emission Units discussion of Conditions 7 and 9 through 15 of the SOB as requested by the commenter for clarity and consistency with responses to Comments 2), 8), and 9).

- 130) Revise the Legal Basis and heading for Incinerator Particulate Matter Emissions and MR&R as follows:

“Conditions 8, 12 through 14, Incinerator Particulate Matter Emissions and MR&R

Legal Basis: ~~Condition 12 ensures~~ These conditions ensure compliance with the applicable incinerator particulate matter ~~standards standard~~ under 18 AAC 50.050(b). The particulate matter emission standard for EU ID 35 as listed in Condition ~~842~~ for this permit applies to the operation of the incinerator based on its rated capacity. The Permittee may not cause or allow the affected incinerator to violate this standard.

<Insert carriage return>

U.S. EPA incorporated ~~these standards this standard~~ as revised in 2002 into the State Implementation Plan effective September 13, 2007.

Basis: 1) The heading to this section of the Statement of Basis is missing the appropriate condition cross references.

2) The standard for incinerator PM emissions is stated in Condition 8 of the draft permit, not Condition 12. There is only one standard and Conditions 12 through 14 outline the required MR&R.

Response from ADEC: ADEC agrees that only one PM standard applies to this EU. ADEC revised the Statement of Basis text as requested by the commenter for clarity and accuracy.

- 131) Revise the Factual Basis for Conditions 8, 12 through 14, Incinerator Particulate Matter Emissions and MR&R as follows:

~~“The condition requires the Permittee to comply with the particulate matter emission standards applicable to incinerators based upon rated capacity. The Permittee may not cause or allow the affected incinerator to violate this standard.”~~

Under 18 AAC 50.050(b), EU ID 36 is not subject to particulate matter standard because the incinerator has a rated capacity of less than 1000 pounds per hour. ~~However, under EPA PSD X82-01 (revised October 7, 1997), a BACT limit of 12 tpy and 0.1 gr/dscf at 12% CO₂ was established for particulate matter emissions from EU ID 36 (see Condition 19).~~

For EU ID 35, the Permittee is required to monitor, record and report in accordance with ~~Condition 8.1~~ Conditions 8.1 and 12 through 14. ~~For EU ID 36, the Permittee is required to monitor, record and report according to Condition 19, which includes an initial particulate matter emissions test (Condition 19.4), and periodic monitoring, record keeping and reporting (Condition 19.5). While EU ID 36 is not subject to the particulate matter standard under 18 AAC 50.050(b), for purposes of permit streamlining, the same Part 71 monitoring, record keeping and reporting required for EU ID 35 are applied at Condition 19.5 for EU ID 36.”~~

Basis: 1) The first sentence is a repeat of a statement made in the Legal Basis. The second sentence should be moved to immediately follow the relevant statement made in the Legal Basis.

2) The PM BACT limit that applies to EU ID 36 should be discussed in the Statement of Basis section that addresses the BACT limits under Conditions 17 through 20. The fact that there is a PM BACT limit for EU ID 36 is not relevant to Conditions 8 and 12 through 14.

3) The information presented in the last paragraph shown above is better suited for inclusion in the Statement of Basis language that address the BACT limits found in Conditions 17 through 20. We have moved this text to that section of the Statement of Basis in our RLSO markup of the permit and Statement of Basis and condensed it considerably in recognition of ADEC's intent to streamline the permit and the Statement of Basis.

Response from ADEC: ADEC agreed to move the discussion of the PM BACT for EU ID 36 and the associated MR&R from the SOB discussion of incinerator particulate matter monitoring, record keeping and recording provisions in Conditions 12 through 14 to the SOB discussion of Conditions 17 through 20 BACT limit. ADEC accepted additional changes as suggested by the commenter to add clarity to the discussion.

132) Revise the Legal Basis for Condition 16, Sulfur Compound Emissions as follows:

“• EU IDs 1 – 20, 22 - 33~~34~~, 37 - 50, 64 and 65 are fuel-burning equipment-and industrial processes.”

Basis: EU ID 34 is no longer in the permit. We also propose to remove the reference to EU ID 21, per our Comment 2).

Response from ADEC: ADEC revised the Legal Basis for Condition 16, Sulfur Compound Emission of the SOB as requested by the commenter to remove reference to EU IDs 21 and 34. See also discussion in response to Comment 2).

133) Revise the Factual Basis for Condition 16, Sulfur Compound Emissions as follows:

“<...>

Sulfur dioxide comes from the sulfur in the fuel (e.g. coal, natural gas, fuel oils). Fuel sulfur testing will verify compliance with the SO₂ emission standard.

Basis: This added text has simply been moved here from **Gaseous Fuels** discussion on the next page of the Statement of Basis.

Response from ADEC: ADEC revised the Factual Basis for Condition 16, Sulfur Compound Emissions of the SOB as requested by the commenter to detail that fuel sulfur testing compliance method applies to all fuels combusted at CPF-1.

134) Revise the **Liquid Fuels** discussion in the Factual Basis for Condition 16, Sulfur Compound Emissions as follows:

~~“Beyond as stated above, the~~ The Department has ~~previously~~ determined that the standard permit conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3). No additional emission unit or stationary source operational or compliance factors indicate ~~the~~ that unit-specific or stationary-source-specific conditions would better meet the requirements. Therefore, the Department concludes that the standard permit conditions ~~as modified-meets~~ meet the requirements of 40 C.F.R. 71.6(a)(3).”

Basis: There is nothing “noted above” pertaining to standard permit condition revisions and no modifications of note have been made to the standard permit condition as incorporated into this permit.

Response from ADEC: ADEC revised the liquid fuels discussion in the Factual Basis for Condition 16, Sulfur Compound Emissions of the SOB as requested by the commenter for clarity.

135) Revise the **Gaseous Fuels** discussion in the Factual Basis for Condition 16, Sulfur Compound Emissions as follows:

~~“Gaseous Fuels: Fuel sulfur testing will verify compliance with SO₂ emission standard. <delete carriage return>~~

Condition 16.5.a(ii) requires the Permittee to conduct a ~~semiannual~~ monthly analysis for the fuel gas sulfur content using either ASTM D4084, D5504, D4810, D4913, D6228 or GPA Standard 2377, or a listed method approved in 18 AAC 50.035(b)-(c) ~~and or~~ 40 C.F.R. 60.17 incorporated by reference in 18 AAC 50.040(a)(1). If a natural gas demonstration is made under Condition 49.1.a(i), the frequency of fuel sulfur analysis may be reduced to no less frequent than semi-annually. For emission units using the same fuel gas as that combusted by EU ID 16, compliance with Condition 16 can be demonstrated using records from the H₂S CEMS monitoring of the fuel.

The Permittee is required to report as State excess emissions whenever the fuel combusted causes sulfur compound emissions to exceed the standards in this condition. The Permittee is required to include copies of the records of ~~semiannual statement from the fuel supplier or~~ the sulfur content analysis with the operating report.”

Basis: 1) We have moved the first statement to the previous page. (See Comment 133)

2) The changes in the second paragraph shown above reflect the requirements of Condition 16.5 for fuel gas monitoring.

3) Fuel gas burned at CPF1 is not provided by a third-party “supplier”. The deleted statement in the third paragraph shown above also does not reflect what Condition 16 requires.

Response from ADEC: ADEC accepted the requested change to the gaseous fuels discussion in the Factual Basis for Condition 16, Sulfur Compound Emissions of the SOB to add detail to the monitoring specific to CPF-1.

136) Revise the 3rd through 5th paragraphs of the Factual Basis for Conditions 17 through 20 (BACT Emission Limits) as follows:

“The majority of these changes ... For NO_x and CO ~~in emissions from~~ turbines and heaters, EPA established BACT emission limits in terms of tons per year as well as other terms (e.g. ppmv and lb/MMBtu). ...

Compliance with the short-term BACT NO_x emission limits for turbines EU IDs 1 - 3, ~~and 8 - 13, and 14; and EU IDs 16, 37 - 41, 43 - 45, and 48 - 50,~~ reflect the MR&R NO_x requirements for NSPS Subpart GG in Condition 47.2 - 47.4. While only EU IDs 1-3 and 10-13 are subject to the NSPS Subpart GG - NO_x emission limit, the same MR&R conditions (Condition 47.2 - 47.4) are applied to the remaining turbines based on the periodic MR&R requirements of 40 C.F.R. Part 71, except EU ID 14 is not subject to the testing schedule outlined in Condition 47.2 because it is required to be tested every two years as discussed below. **<insert carriage return>**

Periodic turbine CO BACT testing and related record keeping and reporting ... **<insert carriage return>**

Source testing requirements to assess compliance with the short-term heater BACT NO_x and CO emission limits for EU IDs 16, 17, 37 - 41, 43 - 45, and 48 - 50 including MR&R are included in Condition 18.4.

EU IDs 14 and 17 were permitted under construction permit No. 9773-AC016 on February 13, 1998 and were installed in 1999. The NO_x and SO₂ BACT limits for these emission units were derived from the PSD review conducted in 1998 as part of the construction permit requirement.

EU ID 14 ~~will show~~ is required to demonstrate compliance with the short term NO_x BACT limit by conducting testing once every two years, which is in accordance with Condition IX.B.1(d) of Construction permit No. 9773-AC016 (based on the results of the initial source tests conducted for EU ID 14, which were between 80% and 90% of the limit NO_x BACT limit) and consistent with AQ0267TVP01. While the emission limit verification frequency for BACT is typically based on the source test results and the resultant percentage as compared to the emission limit, the construction permit does not clarify whether or not the ongoing testing is reset based on the result of each subsequent source test. In order to avoid potential future changes in source test frequency, CPAI has opted to test every 2 years. For EU ID 17, the Permittee will monitor, record, and report in accordance with Condition 47.2 through 47.4. While these conditions are under NSPS Subpart GG, the basis for the specified periodic monitoring, record keeping and reporting is 40 C.F.R Part 71 in order to demonstrate compliance with the short term BACT NO_x emission limit in. It is noted that the construction permit also included an optional requirement to install a CEMs on the exhaust stack for EU ID14. This requirement was not carried forward in AQ0267TVP01 and does not appear in the renewal permit. The intent of the CEMs option was to assure compliance with the short term NO_x standard found in ; however the Department accepts periodic stack testing as the compliance demonstration method used by the Permittee for this unit.”

Basis: 1) Many of the changes proposed above are intended to eliminate the reference to NSPS Subpart GG monitoring for heaters. We have proposed to include the heater monitoring, recordkeeping, and reporting in Condition 18.4 per our Comment 32) instead of draft permit Conditions 47.2 through 47.4.

Conditions 47.2 through 47.4 are for monitoring NSPS affected sources while Condition 18.4 is specifically for verifying compliance with the heater BACT determination. Our proposed changes put all the BACT requirements for heaters in a single condition and removes the need to make a determination as to what aspects of Condition 47.2 through 47.4 apply to heaters.

2) We propose that the first paragraph shown above also include a reference to turbine EU ID 14 as part of the discussion pertaining to source testing MR&R provisions that apply to this unit with details on why Condition 47.2 is not cited in by draft permit Condition 20.2a.

3) Permit 9773-AC016 Conditions IX.B.1(c) – (e) quite clearly state that the ongoing testing frequency required for EU ID 14 was set based on the results of the initial tests conducted under Condition IX.B.1(b) of that permit.

4) Regarding the highlighted text in the struck-out language in the last paragraph shown above, the CEMS requirement was not optional, but would have been required under Condition IX.B.1(e) of permit 9773-AC016 if the initial source test results completed under Condition IX.B.1(b) had exceeded 90% of the NO_x BACT limit. (Note: the punctuation in the condition makes this less clear, but the requirement can be deduced from the preceding language in Conditions IX.B.1(c) & (d) of that permit.)

Response from ADEC: ADEC revised the SOB discussion for draft permit Conditions 17 through 20 as requested to incorporate more accurate information specific to the CPF-1 BACT limits and periodic testing frequency. ADEC also agreed to revise the SOB discussion to reflect the response to Comment 32) as that comment pertains to compliance monitoring, record keeping and reporting for the heaters. ADEC edited the EU ID 14 discussions to improve readability. Additionally, in regards to comments Comment 122) Basis 3) and 4) above, ADEC added the following sentence, such that the parenthetical statement provided above now reads:

“... The results of the initial two source tests conducted for EU ID 14 were between 80% and 90% of the limit NOx BACT limit. Since neither source test result exceeded 90% of the NOx BACT limit, the CEMS requirement under Condition IX.B.1.(e) of Permit No. 9773-AC016 does not apply.”

- 137) Insert the following paragraph prior to the last Factual Basis paragraph for Conditions 17 through 20 as follows:

“Under EPA permit no. PSD-X82-01 (revised October 7, 1997), a BACT limit of 12 tpy and 0.1 gr/dscf at 12% CO₂ was established for particulate matter emissions from EU ID 36 (see Condition 19). Monitoring, recordkeeping, and reporting to demonstrate compliance with this limit are outlined in Conditions 19.4 and 19.5.”

Basis: We propose moving this text from the Factual Basis for Conditions 8, and 12 through 14. (See Basis #3 of our Comment 131).)

Response from ADEC: ADEC agrees to move the text from the SOB factual basis for Conditions 8 and 12 to the Factual Basis for Conditions 17 through 20 in the SOB to provide background information on the Condition 19 incinerator BACT limit. ADEC chose to add the text after the last paragraph and also revised that text for clarity.

- 138) Revise the 2nd Factual Basis paragraph for Conditions 21 through 23 as follows:

“Some of these conditions were applied to the stationary source to verify compliance with BACT limits; other conditions were applied to verify compliance with ambient air quality increments or to avoid classification ... It is noted that, with respect to AQ0267MSS02, the Permittee submitted a notification on March 6th, 2012 to advise that construction drilling and post-construction drilling activities were completed during 2009; and that certain of the permit conditions have “sunsetting” and are obsolete. The affected emission units and conditions are identified in Table ...”

Basis: 1) The deleted text at the beginning of the paragraph shown above applied to limits associated with developmental drilling operations at DS1E/ DS1J. The corresponding limits have been removed from the Title V permit per our March 5, 2012 request.

Basis: 2) The tables referenced at the end of the paragraph shown above address affected emission units as well as affected conditions resulting from the changes made by ADEC as requested in our March 5, 2012 correspondence.

Response from ADEC: ADEC revised the 2nd paragraph of the Factual Basis SOB discussion for Conditions 21 through 23 consistent with that as requested by the commenter for clarity and to correct the supplemental material submission date typographical error. ADEC included minor editorial changes to the revised clauses.

139) Revise the Factual Basis paragraph for Condition 24 as follows:

"Factual Basis: This condition applies to the well injection pump engines (EU IDs 64 and 65) in operation at DS1R. ~~During January 2012, the Permittee indicated to the Department that they may replace these diesel fuel fired pump engines with electric pump equipment in the future. This possibility was reflected in as carried forward from Minor Stationary Source Permit No. AQ0267MSS03, Conditions 1.2 and 1.3, as incorporated at Condition 24.~~ Condition 24 requires the Permittee to notify the Department whenever a replacement unit is to be installed in place of EU IDs 64 and 65, and to include documentation of the replacement unit with the notification."

Basis: The requirement of Conditions 1.2 and 1.3 of permit AQ0267MSS03 to notify the Department applies to any replacement of EU IDs 64 and 65, not just to replacement with electric pump equipment. We do not believe the deleted sentence is pertinent to why the condition should be carried forward from permit AQ0267MSS03.

Response from ADEC: *Consistent with the response to Comment 39), ADEC revised SOB discussion for draft permit Condition 24 as requested by the commenter.*

140) Revise the Legal Basis for Condition 25 as follows:

"Legal Basis: ~~The Permittee is required to comply with all effective stationary source specific requirements that were carried forward from previous EPA PSD permits, SIP approved permits to operate issued before January 18, 1997, SIP approved construction permit(s), SIP approved minor permits, operating permits issued between January 18, 1997 and September 30, 2004, or owner requested limits established under 18 AAC 50.225. These requirements include Best Available Control Technology limits, limits to ensure compliance with the attainment or maintenance of ambient air quality standards or maximum allowable ambient concentrations, and owner requested limits. State pre-construction requirements apply because they were originally developed through case by case action under a Federally approved SIP or approved Operating Permit program. EPA approved the latest SIP effective September 13, 2007. The Permittee has requested this condition as an owner requested limit with the original (TVP01) operating permit application.~~

Basis: The relevant reason that this condition is in the permit is because CPAI requested the limit as part of the original Title V permit application. This ORL is not carried forward from any previous Permit to Operate, construction permit, or any other of the platforms presented in the language that the Department included in the draft Legal Basis.

Response from ADEC: *ADEC simplified and corrected the Legal Basis for Condition 25 in the SOB to state the mechanism for this owner requested limit. In addition, ADEC revised the factual basis discussion to indicate the discussion pertains to EU IDs 19 – 28 and to reflect that CPAI removed EU ID 21 from the production pad. See also response to Comment 2).*

141) Revise the Legal Basis for Condition 26 as follows:

~~"The Permittee is required to comply with all effective stationary source specific requirements that were carried forward from previous EPA PSD permits, SIP approved permits to operate issued before January 18, 1997, SIP approved construction permit(s), SIP approved minor permits, operating permits issued between January 18, 1997 and September 30, 2004, or owner requested limits established under 18 AAC 50.225. These requirements include Best Available Control Technology limits, limits to ensure compliance with the attainment or maintenance of ambient air quality standards or maximum allowable ambient concentrations, and owner requested limits. State pre-construction requirements apply because they were originally developed through case by case action under a Federally approved SIP or approved Operating Permit program. EPA approved the latest SIP effective September 13, 2007. The Permittee has requested this condition as an owner requested limit with the original (TVP01) operating permit application."~~

Basis: See the Basis to Comment 140).

Response from ADEC: ADEC simplified the Legal Basis text for Condition 26 in the SOB to state the mechanism or this owner requested limit. ADEC also made consistent minor language revisions to the Factual Basis discussion, based on commenter changes reflected in their RLSO document.

142) Revise the Factual Basis for Conditions 27 through 30 as follows:

“...Condition 28 does not include MR&R because the total duty rating of the installed production heaters is less than the imposed limit. **<Insert Carriage Return>**

Condition 30 includes MR&R to verify compliance with the fuel consumption limit established for the well injection pump engines at DS1R to avoid a PSD modification for NOx. ~~The Permittee must monitor the total fuel usage of EU IDs 64 and 65 to determine the emissions of NOx, SO2, and VOC.”~~

Basis: The reason for the MR&R found in Condition 30 is correctly stated in the sentence that precedes the one we have struck out above. The struck out sentence does not reflect the purpose for the MR&R.

Response from ADEC: ADEC revised the SOB discussion of the Factual Basis for Conditions 27 through 30 as requested by the commenter to accurately reflect the applicable MR&R. In addition, ADEC revised the discussion for clarity and to correct typographical errors.

143) Remove the reference to Condition 32 in the **heading for Conditions 31 and 32.**

“Conditions 31 and 32, ORL for Incinerators to avoid classification as ‘HAPs major’”

Basis: The ORL in Condition 31 was set for the purpose of avoiding classification as HAPs major, but not the ORL in Condition 32. We have proposed corrected Statement of Basis language for Condition 32 in our Comment 145).

Response from ADEC: Consistent with the responses to Comments 144) and 145), ADEC revised the SOB heading as requested by the commenter for accuracy regarding the purpose of the ORL. Also see responses to Comment 40).

144) Revise the Legal Basis for Conditions 31 and 32

~~“The Permittee is required to comply with all effective stationary source specific requirements that were carried forward from previous EPA PSD permits, SIP approved permits to operate issued before January 18, 1997, SIP approved construction permit(s), SIP approved minor permits, operating permits issued between January 18, 1997 and September 30, 2004, or owner requested limits established under 18 AAC 50.225. These requirements include Best Available Control Technology limits, limits to ensure compliance with the attainment or maintenance of ambient air quality standards or maximum allowable ambient concentrations, and owner requested limits. State pre construction requirements apply because they were originally developed through case by case action under a Federally approved SIP or approved Operating Permit program. EPA approved the latest SIP effective September 13, 2007. The limit stated in this condition was requested by the Permittee with the original (TVP01) operating permit application. Implementation of these this owner-requested operating limits limit will was intended to ensure that the stationary source’s potential to emit any single Hazardous Air Pollutant will-would remain below 10 tpy or 25 tpy in the aggregate of two or more HAPs. Although the stationary source has become HAP-major as a result of updated emissions estimates, the Permittee has elected to retain this owner-requested limit.”~~

Basis: 1) See the basis for Comment 140).

2) As stated in our Comment 3), we are now estimating that CPF-1 is a HAP-major source for purposes of Title V permitting. However, we have decided to retain the ORL on the combined annual waste throughput for EU IDs 35 and 36 for the time being.

Response from ADEC: ADEC revised the SOB discussion for draft permit Condition 31 as requested by the commenter to clarify the basis for the ORL in Condition 31. Also, it is understood that the Kuparuk Central Production Facility #1 (CPF-1) is a HAP-major emitting stationary source per Comment 3) and, this notwithstanding, the Permittee has requested Condition 31 remain in the permit. As such, ADEC has maintained the Condition 31 ORL and supporting SOB legal and factual basis as requested. Also see responses to Comments 40), 143), and 145).

145) Insert an individual **Legal and Factual Basis discussion for Condition 32**. Our proposed language is provided below.

“Condition 32, ORL to Limit the Charging Rate of Incinerator EU ID 36

Legal Basis: The limit stated in this condition was requested by the Permittee with the original (TVP01) operating permit application.

Factual Basis: EU ID 36 (incinerator tag no. H-347) was subject to EPA PSD review in the early 1980s. At that time, and at all times leading up to issuance of the original operating permit for the stationary source, the incinerator was listed in air permits as having a charging rate of 765 pounds per hour. EU ID 36 has federally enforceable emission limits in tons per year based on calculations using a charging rate of 765 pounds per hour (see Condition 19). Upon preparing the original operating permit application, the Permittee discovered that this incinerator actually has a maximum charging rate of 900 pounds per hour. In order to ensure that EU ID 36 conforms with the limitations in EPA PSD permit no. PSD-X82-01 and to avoid having to go through a permit revision to raise the allowable charging rate for this incinerator, the Permittee opted for an owner-requested limit of 765 pounds per hour. With this limit in place, the charging rate matches that listed in air permits issued to the stationary source prior to issuance of the operating permit.

The Permittee is required to keep records of the daily charging rate for EU ID 36, which is restricted to 765 lbs waste per hour calculated based on the total daily charge.”

Basis: The language we have provided here accurately reflects the basis for and history associated with the 765 lb/hr charging rate ORL that was set in place for EU ID 36 when the original Title V permit application was submitted to ADEC.

Response from ADEC: ADEC revised the SOB discussion to add a legal and factual basis specifically for draft permit Condition 32 as requested by the commenter to distinguish the basis for Condition 32 ORL. Also see responses to Comments 41) and 144). ADEC’s text differs slightly from that proposed.

146) Revise the Factual Basis for Condition 33 as follows:

Factual Basis: This condition re-iterates the emission standards and require compliance for insignificant emission units (IEUs). The Permittee may not cause or allow their equipment to violate these standards. The Permittee has identified in the permit application IEUs that need not appear on the permit. They are portable in nature and not always located at the stationary source. Included among the IEUs are nonroad engines, which do not have any applicable requirements under this permit. Insignificant emission units IEUs are not listed in the permit unless specific monitoring, recordkeeping and reporting are necessary to ensure compliance.

The Department finds that the insignificant units at this stationary source do not require specific monitoring, recordkeeping and reporting to ensure compliance under this condition.

Condition 33.4 requires certification that the units did not exceed state emission standards during the previous year and did not emit any prohibited air pollution. EU IDs 19, 20, and 22 - 28, are insignificant EUs based on actual emissions and have permit conditions that limit their hours of operation. As long as these units do not exceed the operating hour thresholds found in Table B, they are insignificant emission units by emission rate as specified in 18 AAC 50.326(e) For EU IDs 19 – 28, as long as they do not exceed the limits of their hours of operation as stated in Conditions 15 and 25, they are considered insignificant units and no monitoring is required in accordance with Department Policy and Procedure No. AWQ 04.02.103, Topic # 3, 10/8/04. **<Insert carriage return>**

EU IDs 22 through 28 and 66 do not qualify as insignificant units per 18 AAC 50.326(d)(1) because they are subject to a Federal requirement (NESHAP Subpart ZZZZ), but EU IDs 22 through 28 have potential actual emissions based on historical operating hours below the significant emissions thresholds in 18 AAC 50.326(e) and EU ID 66 has potential emissions below the significant emissions thresholds.

- Basis:* 1) The significant emissions operating time thresholds for EU IDs 19 through 28 are found in Table B of the permit. These thresholds are referenced by Conditions 1.2 and 1.3. Per Condition 1.2, if these thresholds are not exceeded, then these units are treated as IEUs.
- 2) Further, the 400 hour threshold given in Condition 15 is unrelated to the IEU status of EU IDs 19 through 28.

Response from ADEC: ADEC agreed to make the requested changes to the SOB discussion of Condition 33 to add clarifying information on potentially insignificant emission units at the Kuparuk Central Production Facility #1 (CPF-1). Also, ADEC moved elements of this Section's final paragraph to improved logic flow. Note that a unit potentially an IEU based upon emission rates under 18 AAC 50.326(e), but subject to a source specific limit or federal standard is not an IEU due to the exception written into 50.326(e). ADEC further clarified this element in the factual basis. ADEC also updated the emission unit list because CPAI removed EU ID 21 from service. See also Comment 2).

Finally, ADEC corrected a typographical mistake in that EU IDs 19 through 21 were not identified as being subject to federal NESHAPS Subpart ZZZZ in the public notice draft.

- 147) Revise the Legal Basis for Conditions 34 – 42, NSPS and NESHAP Subpart A Requirements as follows:

Legal Basis The Permittee must comply with those New Source Performance Standard (NSPS) provisions in 40 C.F.R. 60 incorporated by reference ~~the NSPS~~ effective July 1, 2007/2011, for specific industrial activities, as listed in 18 AAC 50.040⁴².

<Insert carriage return>

The Permittee must comply with those NESHAP provisions incorporated by reference effective July 1, 2011, for specific industrial activities, as listed in 18 AAC 50.040.

Most affected facilities (with the exception of some storage tanks) ~~affected facilities~~ subject to an NSPS are subject to Subpart A. At this stationary source, NSPS Subpart A applies to all emission units subject to NSPS Subparts Dc, Ka, GG, J, and GGG/VV. EU IDs 1 - 14 are subject to NSPS Subpart GG. EU IDs 42, 46, and 47 are subject to NSPS Subpart Dc. EU IDs 51 - 55 are subject to NSPS Subpart Ka. EU IDs 16 and 30 are subject to Subpart J. EU ID 57 is subject to Subparts GGG/VV. NESHAP Subpart A applies to EU IDs 35 and 36, which are also subject to NESHAP Subpart E.

~~Condition~~ Conditions 34.1 through 34.3 - The Permittee has already complied with the notification requirements in 40 C.F.R. 60.7 (a)(1) ~~(4) & (3)~~ for EU IDs 1 - 14, 16, 30, 42, 46, 47, 51 - 55, and 57. However, the Permittee is still subject to these requirements in the event of a new NSPS affected facility⁴³ or in the event of a modification or reconstruction of an existing facility⁴⁴ into an affected facility.

<...>

The Permittee obtained EPA approval for annual instead of semi-annual fuel sulfur reporting in Custom Fuel Monitoring Schedules dated April 5, 2000 (for fuel gas) and December 7, 2007 (for liquid fuel). Therefore, the EEMSP reports that address fuel sulfur monitoring for Subpart GG-affected turbines are required to be submitted annually for these units instead of semi-annually.

<...>

Condition 39 prohibits the Permittee from operating a stationary source subject to an applicable NESHAP if it is in violation of that standard.

Condition ~~40~~³⁹ - Good air pollution control practices in 40 C.F.R. 60.11(d) and 40 C.F.R. 61.12(c) are applicable to all NSPS/NESHAP affected facilities subject to Subpart A (EU IDs 1 - 14, 16, 30, ~~31~~, 35, 36, 42, 46, 47, 51 - 55, and 57).

Condition ~~41~~⁴⁰ - states that any credible evidence may be used to demonstrate compliance or establishing violations of relevant NSPS standards for EU IDs 1 - 14, 16, 30, ~~31~~, 42, 46, 47, and 57.

Condition ~~42~~⁴¹ - Concealment of emissions prohibitions in 40 C.F. R. 60.12 and 40 C.F.R. 61.19 are applicable to EU IDs 1 - 14, 42, 46, and 47; the standards set forth in Conditions 42, 43, 45, 47, 48, 49, and 53.

Condition ~~43~~⁴² - Monitoring requirements in 40 C. F. R. 60.13 are applicable to EU IDs 16 and 30 because a CEMS is used to determine compliance with NSPS Subpart J emission standards for fuel gas combustion devices, and the EEMSPR.

<...>”

- Basis:* 1) With respect to the first proposed paragraph to be added as shown above, there are provisions of 40 CFR 61 that apply to CPF-1 and provisions of Subpart A of Part 61 have been intermingled with NSPS Subpart A in Conditions 39 and 41.
- 2) The statement added to the end of the second paragraph needs to be carried forward from the TVP01 Statement of Basis language.
- 3) There is a Kuparuk River Unit CFMS for liquid fuel that was approved by EPA on 12/7/07.
- 4) We have reinserted the applicable provision that was included in the TVP01 permit as Condition 20. In the RLSO markup of the TVP02 permit, the provision is Condition 39.
- 5) EU ID 31 is not an NSPS or NESHAP-affected emission unit and is not included in draft permit Condition 39 or 40.
- 6) Our proposed revision to the Statement of Basis description of draft permit Condition 41 better reflects the provisions of the condition.
- 7) With respect to draft permit Condition 42, the fact that an EEMSP report must be submitted in regard to Subpart J has no bearing on whether or not 40 CFR 60.13 applies to any emission units at the source.

Response from ADEC: ADEC does not agree with the request to merge requirements pertaining to the NSPS (40 C.F.R. 60) and the NESHAP (40 C.F.R. 61) in the same section pertaining to Subpart A. See response to Comment 43).

ADEC revised the SOB discussion of draft permit Conditions 34 through 42 as requested by the commenter for clarity and to reflect the responses to Comments 43) through 56), as such pertains solely to the NSPS. The above changes requested by the commenter that pertain to Subpart A of the NESHAP (40 C.F.R. 61) are included in this SOB under a new section, “NESHAP (40 C.F.R. 61) Subpart A Requirements” for new Conditions 54 – 56. The related new SOB section will precede the SOB discussion on Condition 56 (i.e., NESHAP (40 C.F.R. 61, Subpart E) requirement applicable to affected emission units EU ID 35 and 36).

148) Revise the Factual Basis for Conditions 34 through 42 as follows:

Factual Basis: General provisions of Subparts A of 40 C.F.R. 60 (NSPS) and 61 (NESHAP) apply to owners or operators who are subject to a relevant subpart under Parts 60 and 61, except when otherwise specified in an applicable subpart or relevant standard. The intent of Subpart A is to eliminate the repetition of requirements applicable to all owners or operators affected by NSPS/NESHAP. Subpart A contains the general requirements applicable to all affected facilities (sources) subject to NSPS. In general, the intent of NSPS is to provide technology-based emission control standards for new, modified and reconstructed affected facilities.”

Basis: Our requested revision addresses the fact that these conditions pertain to Subpart A of 40 CFR 60 and Subpart A of 40 CFR 61. In addition, our proposed language accurately describes the purpose of these subparts and how they interact with other subparts within the NSPS and NESHAP rules.

Response from ADEC: ADEC revised the SOB Factual Basis discussion as requested by the commenter for clarity, as such pertains solely to the NSPS. See also ADEC’s response to Comment 147).

149) Revise the heading, Legal Basis, and Factual Basis for Condition 43 through 44 as follows:

“Condition 43 through 44, NSPS Subpart Dc Requirements

Legal Basis: ~~Since the Permittee identified affected facilities at this stationary source, these conditions require the Permittee to comply with NSPS Subpart Dc. The NSPS Subpart Dc applies to steam generating units for which construction, modification, or reconstruction commenced after June 9, 1989 and have maximum design heat input capacities of 29 MW (100 MMBtu/hr) or less, but greater than or equal to 2.9 MW (10 MMBtu/hr). EU IDs 42, 46 and 47 were constructed on 8/15/05, 12/1/04, and 12/1/04, respectively, and have maximum design heat input capacities of 30, 36.8, and 36.8 MMBtu/hr, respectively. They ~~and are~~ therefore, subject to Subpart Dc.~~

<Insert carriage return>

EU IDs 42, 46 and 47 are only subject to the recordkeeping and reporting provisions of 40 C.F.R. 60.48c(g) and (i) because they burn only fuel gas. The Permittee must keep records of the amount of fuel used by these units. The record retention schedule in 40 C.F.R. 60.48c(i) is satisfied by Condition 94. The Permittee has previously complied with the initial notification requirement.

A 2006 amendment to Subpart Dc provides an alternative for keeping monthly instead of daily records of fuel combustion by affected units under certain circumstances. EU IDs 42, 46, and 47 qualify for this alternative because, as stated in 40 C.F.R. 60.48c(g)(2), the units combust a fuel not subject to an emissions standard in Subpart Dc.

Factual Basis: EU IDs 42, 46 and 47 are only subject to the recordkeeping and reporting provisions of 40 C.F.R. 60.48c(g) and (i). The Permittee must keep records of the amount of fuel used by these units. The record retention schedule in 40 C.F.R. 60.48c(a) is satisfied by Condition 93. This condition requires the Permittee to comply with NSPS Subpart Dc. The Permittee may not cause or allow EU IDs 42, 46, and 47 to violate these requirements.

Basis: 1) The heading should cross reference draft permit Condition 43 only (which becomes permit Condition 44 in the RLSO markup of the permit).

2) A specific date needs to be included for each of the three emission units described in the first paragraph of the Legal Basis.

3) Additionally, the added paragraphs will make the CPF1 Statement of Basis language for NSPS Subpart Dc match the language used by the Department in other recently issued North Slope Title V permits. The first added paragraph consists mostly of text that the Department included in the Factual Basis that we believe is better suited for the Legal Basis and corrects a rule reference error (i.e., 40 CFR 60.48c(i) contains the record retention requirement of Subpart Dc, not 40 CFR 60.48c(a)).

Response from ADEC: ADEC revised the NSPS Subpart Dc discussion as requested by the commenter for clarity and to be consistent with other ADEC Title V permits. ADEC switched the proposed factual and legal basis text for stylistic consistency with other NSPS Subpart permit conditions.

150) Revise the Factual Basis for Condition 45 as follows:

Factual Basis: This condition ... based on a temperature of 59°F, in Condition 3433 of AQ0267TVP01;...”

Basis: The correct condition number reference for the TVP01 permit is Condition 33.

Response from ADEC: ADEC accepted the change as requested to correct a typographical error and revised the discussion for clarity.

151) Revise the Legal Basis for Conditions 47 through 48 as follows:

Legal Basis: These conditions prohibit ...after October 3, 1977. EU IDs 1 through 14 are subject to NSPS Subpart GG. The NO_x standard applies only to EU IDs 1 through 3 and 10 through 13.

Basis: We ask that the Department include these important details here.

Response from ADEC: ADEC agrees with the commenter and revised the Legal Basis SOB discussion for permit Conditions 47 through 48 as requested by the commenter to clarify the applicability information as indicated. This clarification is consistent with the exemptions section already included in the Factual Basis discussion. In addition to the commenter edits, ADEC added a clause to the last line. The clause refers the reader to this exemption text.

152) Revise the heading and Legal and Factual Bases for Condition 47 as follows:

~~“Condition 47~~Conditions 47.2 through 47.4, NO_x Monitoring, Recordkeeping, and Reporting

Legal Basis: Periodic monitoring, recordkeeping, and reporting are ~~is~~ included in ~~Condition~~ ~~Conditions~~ 47.2 through 47.4 for all turbines that normally operate for greater than 400 hours in a 12 month period. This additional monitoring is necessary to ensure that turbine emissions comply with the applicable BACT and NSPS NO_x ~~standard standards~~ and is required under 40 C.F.R. 71.6(a)(3) as the subpart does not contain MR&R sufficient for an operating permit.

Factual basis-Basis: The Department does not have enough information to make categorical determinations that certain types of turbines, or turbines with emission test results below a certain percentage of the BACT and Subpart GG NO_x emission ~~limit-limits~~ will inherently comply with the ~~Subpart GG limit-limits~~ at all times and will never need additional testing. After a sufficient body of NO_x data is gathered under monitoring conditions for compliance with BACT and 40 C.F.R. 60, Subpart GG ~~limits~~, the Department may find that it has enough information to make such categorical determinations. In that event, the Department would revise the NO_x monitoring conditions. The Department may determine that to assure compliance it is necessary to retain or increase the current monitoring frequency.

This condition does not include the initial NSPS performance test requirements as the Subpart A conditions cover these requirements. ~~If an~~ An existing or new turbine under this permit ~~that~~ is still subject to the performance test requirement of 40 C.F.R. 60.8 is covered under the Subpart A related conditions.

The intent of these conditions is that turbines or groups of turbines be routinely tested on no less than a 5-year cycle. If the most recent performance test on a turbine showed NO_x emissions at less than or equal to 90% of each of the ~~limit-limits~~ shown in ~~Condition-Conditions~~ 17 and/or 47, then periodic monitoring is required at the first applicable of two criteria: 1) within 1 year of the effective date of this permit ... If the most recent performance test showed operations at greater than 90% of the emissions listed in ~~Condition-47Conditions~~ 17 and/or 47, then periodic monitoring source testing is required every year until two consecutive tests show emissions at less than or equal to 90% of the limit.

<...>

Subpart GG defines “emergency gas turbine⁴²” and exempts turbines meeting that definition from the GG emission standards. Some turbines may be operated as standby equipment but not meet the definition of emergency turbine, so the Department has added a Method 20, or Method 7E and either Method 3 or 3A monitoring threshold of 400 hours per 12-month period. For turbines expected to operate less than 400 hours the Department has also added recordkeeping for hours of operation. The Department does not intend to require the Permittee to operate a turbine solely for the purpose of testing.

The condition requires testing at a range of loads, consistent with the performance test requirements in Subpart GG, that is, test at 30, 50, 75, and 100 percent load or four equally spaced loads in the normal operation of the turbine. ~~If testing at these four loads is not reasonable, the condition allows the Permittee to propose to the Department what test loads will be reasonable and adequate, and the Department will have the responsibility to make a finding on that proposal. If EPA has already approved alternative test loads for the initial performance test the Department would allow those test loads if the information that went into that decision were still representative of the turbine operation.~~

In Condition 47.2.b(ii)(C)(4), the Department considers “fuel type” to mean, for liquid fuels a type of fuel as described in an ASTM or similar fuel specification.

~~Load measurements or load calculations from load surrogate measurements are for one hour periods. The intent is to match the averaging period for the test method. Method 20 identifies a number of traverse points that vary with the size of the stack. From these points the tester is to choose at least 8 points for NOx measurements. The time at each point is to be at least one minute plus the average response time of the instrument. The recorded value is the average steady state response. Presumably, the steady state response would exclude some or all of the response time of the instrument. Three runs are to be done at each test load.~~

~~The three runs would represent 24 minutes of measurement time or more. A one hour average load is therefore a reasonable approximation of a load period corresponding to the test method."~~

Basis: 1) Many of these edits are important for addressing the fact that the source testing MR&R described in these conditions is used to assess compliance with the turbine NOx BACT limits as well as the NSPS Subpart GG limits.

2) The first sentence of the Factual Basis (highlighted above) contains outdated language for the basis of these conditions. All combustion turbines have been tested at least once. The Ruston TB5000, TB5400, Frame 5 and Frame 3K units have been found to be less than 75 percent of the most restrictive permitted limit. Where multiple tests have been conducted, the data have been found to correlate well. Although we have not proposed removing the sentence, we ask that ADEC consider replacing this language.

3) The highlighted text at the beginning of the fifth paragraph presented above is only a partial statement of the Subpart GG requirements. The full sentence of the rule states that testing is to be conducted at 30, 50, 75, and 100 percent load or at four points in the normal operating range of the turbine. In addition and consequently, there is no need to request for an alternate load scenario for turbine testing.

4) CPAI requests deletion of the last two paragraphs of the Factual Basis. Load can be calculated as an average during each test run. It does not have to encompass an hour. The average of the three test runs can be used to meet the recordkeeping requirement.

Also the reference to Method 20 is outdated. Method 20 no longer requires sampling at a minimum of 8 points. The new version of Method 20 refers back to Method 7E which allows sampling at a single point with no stratification or the use of a multi-hole probe.

Response from ADEC: ADEC acknowledges and agrees with all requested changes and bases as presented above. While some clarifying revisions have been made to the NSPS Subpart GG NOx Monitoring, Recordkeeping, and Reporting SOB discussion, changes to strike-out language as presented by the commenter at Basis 3) and 4) above are not accepted.

Condition 47.2.b requires the Permittee to conduct all tests in accordance with 40 C.F.R. 60.335 which, along with Condition 47.2.a, provide for the use of Method 20. ADEC acknowledges that Method 20 currently refers to Method 7E (and either Method 3 or 3A). This notwithstanding, Method 20 continues to be a listed Method in both 40 C.F.R. 60, Subpart GG and 40 C.F.R. 60, Appendix A. ADEC also acknowledges that Method 7E allows for single point sampling with no stratification or use of a multi-point probe.

As for the length of each test run; the number of test runs; and the loads to be tested, these requirements are prescribed both in 40 C.F.R. 60, Subpart GG and Condition 47. Further, as indicated in permit Condition 47.2.c(ii) and Section 6, and response to Comment 29), the intended test methods and procedures to be used for a required source test must be submitted to ADEC prior to the planned test in the form of a test plan. These procedures should comply with the permit conditions (and 40 C.F.R. 60, Subpart GG, as applies).

ADEC believes the descriptive information presented in this section of the SOB generally describes the basis for the MR&R related to Conditions 47.2 through 47.4.

153) Revise the heading and Legal and Factual Bases for Condition 48 as follows:

~~“Condition 48~~Conditions 48.1 through 48.3, SO₂ Monitoring, Recordkeeping, and Reporting

Legal Basis: ~~This condition requires~~ These conditions require the Permittee to comply with NSPS Subpart GG SO₂ or fuel quality monitoring, record keeping and reporting.

Factual Basis: Monitoring, recordkeeping, and reporting requirements for this condition are described in NSPS Subpart GG and have been referenced here. No additional monitoring outside of the Subpart GG requirements is necessary to ensure compliance with the NSPS SO₂ standard.

<Insert carriage return>

The MR&R scheme provided for the NSPS GG SO₂ emissions standard is in accordance with the EPA-approved custom fuel monitoring schedules (CFMS) for CPF-1, dated April 5, 2000 (gaseous fuel) and December 7, 2007 (liquid fuel) granted to the Permittee in accordance with 40 C.F.R. 60.334(i)(3).

Monitoring: Condition 48.1 incorporates NSPS Subpart GG fuel sulfur monitoring requirements and approved custom monitoring requirements from the CFMS letters.

Recordkeeping: The Permittee is required to maintain records of all sulfur monitoring data required by NSPS Subpart GG for five years as set out in 40 C.F.R. 60.7(f). This requirement is stated in Condition 93, records to document a constant fuel supplier, and records of turbine operation on fuels other than natural gas as set out in the April 5, 2000 and December 7, 2007 CFMS letters.

Reporting: NSPS Subpart GG SO₂ standard reporting requirements and other reports required by the Department and EPA as set out in the CFMS letters are incorporated in the permit in Condition 48.3. According to the CFMS letters for CPF-1, the Permittee is required to submit results of gaseous and liquid fuel sulfur monitoring to EPA at least annually and notify EPA Region 10 within 60 days of any changes in fuel supplier or source of fuel, or of use of any fuel other than natural gas.

For the purpose of the EEMSP reports and summary report required under 40 C.F.R. 60.7(c) and (d) and stated in Conditions 36 and 37, ~~report daily periods~~ the Permittee is required to report as excess emissions any period during which the sulfur content of the fuel being fired in the turbine exceeds 0.8 percent. Subpart GG [at 40 C.F.R. 60.334(j)(5)] requires EEMSP reporting 30 days after the end of each 6-month period, but the alternative monitoring schedules approved for CPF-1 reduce the required frequency of these reports for gaseous fuel and liquid fuel to at least annually as set out in Condition 48.3.a(i). As stated in Conditions 36 and 37, reports are to be submitted to the Department and EPA, and summarized in the operating report required under Condition 98. However, per Conditions 49.1.a(i) and 49.3.a(iii), and pursuant to 40 C.F.R. 60.334(h)(3) and 60.334(i), the Permittee may elect not to monitor or report the total sulfur content of a gaseous fuel combusted by affected emission units if the fuel is demonstrated to meet the definition of natural gas under 40 C.F.R. 60.331(u), regardless of whether an existing custom schedule approved by the Administrator requires such monitoring and reporting.

In Condition 48.3 the Department requests that a summary report of the results from the monitoring requirements in Condition 48.1 be included in the Operating Report required under Condition 98. State excess emissions and permit deviation reports are to be submitted in accordance with Condition 49.3.e.”

Basis: 1) The recordkeeping requirement of 40 CFR 60.7(f) is discussed in the Statement of Basis language pertaining to NSPS Subpart A and need not be repeated here. The more pertinent information describing the recordkeeping that applies specifically to this stationary source under NSPS Subpart GG is provided in our proposed revision to the Statement of Basis language for recordkeeping as shown above.

2) We ask that ADEC include language found in other recently issued North Slope Title V permit Statements of Basis and similar to that found in our permit renewal application to document the custom fuel monitoring schedules approved by EPA that apply to CPF-1 as outlined in the permit.

3) State EE/PD reporting is also a required element of the reporting to be done under NSPS Subpart GG.

***Response from ADEC:** ADEC accepted the requested changes to the SOB discussion of NSPS Subpart GG - SO₂ Monitoring, Recordkeeping, and Reporting to more accurately reflect the source specific EPA-approved custom fuel monitoring schedule as it affects the requisite MR&R requirements for CPF-1 with minor changes to proposed text for clarity.*

154) Revise the Legal and Factual Bases for Condition 50 as follows:

“Legal Basis: ~~The Permittee is required to comply with all effective stationary source specific requirements that were carried forward from previous EPA PSD permits, SIP approved permits to operate issued before January 18, 1997, SIP approved construction permit(s), SIP approved minor permits, operating permits issued between January 18, 1997 and September 30, 2004, or owner requested limits established under 18 AAC 50.225. These requirements include Best Available Control Technology (BACT) limits, limits to ensure compliance with the attainment or maintenance of ambient air quality standards or maximum allowable ambient concentrations, and owner requested limits. State pre-construction requirements apply because they were originally developed through case-by-case action under a Federally approved SIP or approved Operating Permit program. EPA approved the latest SIP effective September 13, 2007. The Permittee requested this condition as an owner requested limit with the original (TVP01) operating permit application.~~

~~Implementation of this operating limit will ensure that the incinerators at CPF 1, EU IDs 35 and 36, each combust less than 10 percent sewage sludge.~~

Factual Basis: ~~The Permittee requested that the Department limit the sewage sludge burned in each of EU IDs 35 and 36 to less than 10 percent or less sewage sludge on a dry basis to avoid classification as a Sewage Treatment Plant under 40 C.F.R. 60, Subpart O and 18 AAC 50.040(2)(Q). The Permittee is required to sample biennially on a biennial basis the dry sewage sludge weight as a percentage of the total wastes charges-charged into the incinerators.”~~

Basis: 1) **Re: the Legal Basis revisions** -see the basis for Comment 140). Also, note that the limit does not ensure that the incinerators meet a certain criteria, but the limit instead sets the criteria that are required to be followed.

2) **Re: the Factual Basis revisions** - the limit is to burn 10 percent or less sewage sludge as a percentage of total wastes combusted, not less than 10 percent.

Response from ADEC: ADEC agrees with the suggested revisions to simplify the Legal Basis for draft permit Condition 50 and to correct the factual basis. ADEC updated the language as requested by the commenter.

155) Revise the Legal Basis for Condition 51 as follows:

“Legal Basis: The Permittee is required to comply with all effective stationary source specific requirements that were carried forward from previous EPA PSD permits, SIP approved permits to operate issued before January 18, 1997, SIP approved construction permit(s), SIP approved minor permits, operating permits issued between January 18, 1997 and September 30, 2004, or owner requested limits established under 18 AAC 50.225. These requirements include Best Available Control Technology limits, limits to ensure compliance with the attainment or maintenance of ambient air quality standards or maximum allowable ambient concentrations, and owner requested limits. State pre-construction requirements apply because they were originally developed through case-by-case action under a Federally approved SIP or approved Operating Permit program. EPA approved the latest SIP effective September 13, 2007. The Permittee has requested this condition as an owner requested limit with the original (TVP01) operating permit application.”

Basis: See the basis for Comment 140).

Response from ADEC: ADEC agrees with the suggested revisions to simplify the Legal Basis for draft permit Condition 51 and updated the language as requested by the commenter.

156) Revise the Legal Basis for Condition 52 as follows:

“Legal Basis: The Permittee is required to comply with all effective stationary source specific requirements that were carried forward from previous EPA PSD permits, SIP approved permits to operate issued before January 18, 1997, SIP approved construction permit(s), SIP approved minor permits, operating permits issued between January 18, 1997 and September 30, 2004, or owner requested limits established under 18 AAC 50.225. These requirements include Best Available Control Technology limits, limits to ensure compliance with the attainment or maintenance of ambient air quality standards or maximum allowable ambient concentrations, and owner requested limits. State pre-construction requirements apply because they were originally developed through case-by-case action under a Federally approved SIP or approved Operating Permit program. EPA approved the latest SIP effective September 13, 2007. The Permittee requested this condition as an owner requested limit with the original (TVP01) operating permit application for the incinerators, which commenced construction on or before November 30, 1999 and meet the definition of existing Commercial/Industrial Solid Waste Incinerators.”

Basis: See the basis for Comment 140).

Response from ADEC: ADEC agrees with the suggested revisions to simplify the Legal Basis for draft permit Condition 52, and updated the language as requested by the commenter.

157) Add a Statement of Basis for draft permit Condition 54 as follows:

“Condition 54, NESHAPs Subpart A Requirements

Legal Basis: The Department has incorporated by reference the NESHAP requirements effective February 17, 2011, for specific industrial activities, as listed in 18 AAC 50.040(c).

Most affected facilities subject to a NESHAP requirement are subject to Subpart A. The Permittee shall comply with the applicable requirements of 40 C.F.R. 63 Subpart A as specified in the provisions for applicability of Subpart A in 40 C.F.R. 63, Subpart ZZZZ Table 8 and 40 C.F.R. 63 Subpart CCCCCC Table 3.

Factual Basis: This condition incorporates applicable 40 C.F.R. 63 requirements. The Permittee may not cause or allow violations of these requirements.”

Basis: The PN draft permit was missing Statement of Basis language for draft permit Condition 54. Our proposed language matches that used by the Department for BPXA Flow Station #1 permit no. AQ0167TVP02, Condition 31, except we have supplemented for the CPF-1 permit context with language that refers to the Subpart A provisions that apply through NESHAP Subpart CCCCCC, Table 3.

Response from ADEC: ADEC agrees that the cited SOB statement was inadvertently omitted from the draft permit packet. ADEC added the related discussion for draft permit Condition 54 to the SOB as requested to provide information on the legal and factual basis of that condition.

- 158) Revise the Legal Basis and 1st paragraph of the Factual Basis for Conditions 55 through 62 (NESHAP Subpart ZZZZ Requirements) as shown.

Legal Basis: The Department has incorporated by reference the NESHAPs requirements effective ~~July 16, 2007~~ February 17, 2011, for specific industrial activities, as listed in 18 AAC 50.040(c). The provisions of 40 C.F.R. 63, Subpart ZZZZ apply to owners or operators of any existing, new, or reconstructed stationary Reciprocating Internal Combustion Engine (RICE) located at a major or area source of HAP emissions, excluding stationary RICE units being tested at a stationary RICE test cell/stand. Kuparuk Central Production Facility #1 is an area source of HAP emissions accessible by the Federal Aid Highway System (FAHS) subject to the provisions of NESHAP Subpart ZZZZ under 40 C.F.R. 63.6590(a)(1)(iii) for existing RICE (EU IDs 19, 20, 22 through 28, and 64 through 66) whose construction commenced before June 12, 2006. NESHAP Subpart ZZZZ applies to owners and operators of stationary reciprocating internal combustion engines (RICE) located at major and area sources of HAP emissions.

Factual Basis: ~~NESHAP Subpart ZZZZ applies to any existing, new, or reconstructed stationary RICE located at a major or area source of HAP emissions, excluding stationary RICE units being tested at a stationary RICE test cell/stand. Kuparuk Central Production Facility #1 is an area source of HAP emissions that operates Liquid Fuel Fired Equipment EU IDs 19 – 28. Kuparuk Central Production Facility #1 is located in an area of Alaska accessible by the Federal Aid Highway System (FAHS). These emission units are existing units subject to Subpart ZZZZ based on its construction, manufacture, or reconstruction date. Subpart ZZZZ emissions and operating limitations and corresponding MR&R requirements are provided in Conditions 55 through 62.”~~

Basis: 1) The date of the incorporation of the NESHAPs requirements is February 17, 2011 in 18 AAC 50 dated August 1, 2012, which is the version of the rules cited on the permit cover page as the basis for all Federal regulation citations in the permit.

2) We believe the language that ADEC placed into the 1st paragraph of the “Factual Basis” is better suited for inclusion in the “Legal Basis” portion of the Statement of Basis for Subpart ZZZZ applicability to CPF-1. We have moved it and made several revisions to the language to make it more closely match that used by the Department for the BPXA Flow Station #1 permit no. AQ0167TVP02 Legal Basis pertaining to Subpart ZZZZ applicability to that source.

Response from ADEC: Except for the statement that CPF-1 is a HAP major source, ADEC accepted the requested change to add improved clarity. Regarding major vs. minor source semantics, see response to Comment 3). In response, ADEC used alternative text consistent with that response.

159) Revise the Factual Basis for Conditions 55 through 62 as shown.

“Factual Basis: <...>

Pursuant to 40 C.F.R. 63.6585, diesel-fired emergency engines, EU IDs 19, 20 and 22 – 28, and non-emergency engines EU IDs 64 - 66 are affected stationary RICEs subject to NESHAP Subpart ZZZZ. The Permittee must comply with 40 C.F.R. 63, Subpart ZZZZ no later than May 3, 2013.

Existing, non-emergency engines rated between 301 and 500 hp at area sources (EU IDs 64 and 65) are subject to initial performance test or other initial compliance demonstration requirements and the associated required test notifications and reports. These units are also subject to initial notification requirements, CO emission limits of 40 C.F.R. 63.6603(a) and Table 2d, crankcase ventilation or filtration emissions control system installation, use of ULSD fuel, and only to the general compliance requirements of 40 C.F.R. 63.6605 (good air pollution control practice) after the initial performance testing, compliance reports, and recordkeeping. No subsequent performance testing is required. Further, the requirements of §63.6625(e), §63.6640(a), §63.6655(d) & (e), and Tables 2b, 3, and 6 of Subpart ZZZZ do not apply to these engines. The initial notification for EU IDs 64 and 65 was originally submitted on June 24, 2010 and a revised notification was submitted on October 28, 2010 in accordance with §63.6645(a)(2).

Emergency RICEs (EU IDs 19, 20, 22 through 28) and non-emergency RICE rated <300 hp (EU ID 66) are not subject to any numerical emission limitations under Subpart ZZZZ. In addition, per 40 C.F.R. 63.6645(a)(5), initial notification is not required for existing stationary emergency CI RICEs or existing stationary CI RICEs that are not subject to any numerical emission standards.

To remain in retain the designation of emergency engine under the NESHAP Subpart ZZZZ, EU IDs 19, 20 and 22 - 28 must not exceed non-emergency operations over 100 hours per calendar year. There is no limit on emergency operation. However, if the 100 hour limit is exceeded the Permittee must comply with the work practices and emission limitations under Subpart ZZZZ.”

Basis: 1) We request that the Department include the Statement of Basis language proposed above for the purpose of documenting 1) the engine classifications that apply, 2) the compliance deadline, 3) a more thorough summary of Subpart ZZZZ requirements that apply to the larger non-emergency engines (EU IDs 64 and 65), and 4) that initial notification and emissions limitations do not apply to emergency engines and non-emergency engines rated at 300 hp or less.

2) To correct the initial notification submittal dates cited in the Basis.

3) We find it more meaningful for a description of requirements that apply to the larger non-emergency engines to be included in the Statement of Basis instead of what does not apply to these engines.

4) We ask that the language clarify that the operating time limit for emergency engines is based on a calendar year of operation.

Response from ADEC: *ADEC has reviewed the revisions requested by the commenter. We agree the revisions provide for updated information regarding rule applicability and notifications, and greater clarity as the rule pertains to this stationary source’s affected equipment. ADEC revised the SOB discussion of the draft permit Conditions 55 through 62 (now Conditions 59 through 66) as requested by the commenter to detail the requirements specific to subject emission units at CPF-1.*

- 160) Revise the **Legal Basis for Conditions 63 through 66** by changing the date of the NESHAPs rule incorporated by reference from July 16, 2007 to February 17, 2011.

Basis: The date of the incorporation of the NESHAPs requirements is February 17, 2011 in 18 AAC 50 dated August 1, 2012, which is the version of the rules cited on the permit cover page as the basis for all Federal regulation citations in the permit.

Response from ADEC: Pursuant to 18 AAC 50.040(c), ADEC revised the date of the NESHAPs rule incorporated by reference as requested. Beyond the comments, ADEC also revised the discussion to add clarity.

- 161) Revise the Legal Basis for Condition 68 as follows:

“Legal Basis: ...and emission reduction of refrigerants set forth in 40 C.F.R. 82, Subpart F that will apply if the Permittee uses certain refrigerants and engages in the recycling or disposal of certain refrigerants.

<Insert carriage return>

The prohibitions in ~~Condition~~ Conditions 68.2 – 68.3 apply to all stationary sources that use halon for extinguishing fires and inert gas to reduce explosion risk. ~~The condition prohibits the Permittee from causing or allowing violations of these prohibitions.~~ The Kuparuk Central Production Facility #1 uses halon and is, therefore, subject to the Federal regulations contained in 40 C.F.R. 82 Subparts G and H.

Basis: 1) Recycling and disposal of refrigerants are the specific actions that are regulated under 40 CFR 82, Subpart F.

2) The deleted text above is a repeat of language found in the Factual Basis for this condition. We believe it is better suited for the Factual Basis because this text does not describe a “Legal Basis”.

Response from ADEC: ADEC accepts the requested revisions to the SOB Legal Basis discussion and the Factual Basis discussion (response to Comment 162) of draft permit Condition 68. ADEC revised these discussions as requested by the commenter for improved clarity.

- 162) Revise the Factual Basis for Condition 68 as follows:

“Factual Basis: The regulations found in 40 C.F.R. 82 Subpart F regarding refrigerant Recycling and Disposal ~~Because these regulations~~ include adequate monitoring and reporting requirements and because the Permittee is not currently engaged in such activity, simply citing the regulatory requirements is sufficient to ensure compliance with these Federal regulations. This condition also incorporates the applicable halon prohibitions from 40 C.F.R. 82 requirements ~~Subparts G and H.~~ The Permittee may not cause or allow violations of these prohibitions.”

Basis: We believe the language that ADEC included in the Statement of Basis for Condition 38 of the BPXA Flow Station #1 Title V permit renewal (permit no. AQ0167TVP02) more accurately describes the Factual Basis for this condition. We ask that ADEC use the same language in the CPF-1 Statement of Basis.

Response from ADEC: ADEC accepts the requested clarifying revisions to the SOB Legal Basis discussion and the Factual Basis discussion (response to Comment 162) of draft permit Condition 68. ADEC revised these discussions as requested by the commenter for improved clarity.

163) Revise the Legal Basis for Condition 69 as follows:

“Legal Basis: This condition requires the Permittee to determine rule applicability for NESHAPS, ~~and requires record keeping for those determinations if required by the source classification.”~~

Basis: The recordkeeping mentioned here is no longer applicable because CPF-1 is no longer a “synthetic minor” source of HAP emissions.

Response from ADEC: ADEC acknowledges the change in status of the Kuparuk Central Production Facility #1 (CPF-1) to a major HAP emitting source. This notwithstanding, this condition applies to all Title V stationary sources in perpetuity and, as indicated, requires record keeping only if a source classification rule applicability determination is required. ADEC made no change to the SOB discussion due to this comment.

164) Revise the Factual Basis for Condition 69 as follows:

~~**“Factual basis-Basis:** The Permittee has conducted an analysis of the stationary source and determined that it is **not** a major HAPs stationary source based on emissions. This condition requires the Permittee to comply with any NESHAP that is issued and becomes effective subsequent to the issuance date of this permit, if such NESHAP is determined to apply to the source. Standard language contained in Title V permits for this condition typically requires Administrator and Department notification in accordance with the procedures in 40 C.F.R. 63.9(b), should a new NESHAP be determined as applicable to the source. This notwithstanding, the Permittee has requested such language not be included in this condition. The Permittee has indicated their opposition to “if triggered” type conditions in the permit”, and they have cited other stationary source Title V permits without such language as part of this condition. The Department has agreed to similarly omit the notification language herein; however, such omission does not obviate the requirement to 1) notify the Administrator and the Department if any NESHAP becomes applicable after permit issuance, and 2) keep and make available to the Department copies of the related major stationary source determination.~~

~~In addition, the Permittee has requested the standard condition citation, 40 C.F.R. 63.5(b)(4), not be included in the permit condition since there are no current plans to reconstruct CPF-1 and trigger the notification requirement provided in 40 CFR 63.5(b)(4). The Department has not removed this citation since it pertains to both construction and reconstruction.”~~

Basis: 1) Based on new methods we have used to estimate emissions from the produced water tanks at CPF-1, we now estimate CPF-1 is a major source of HAP emissions for purposes of Title V classification. However, it is important to note that for each rule under 40 CFR 63 that potentially applies to CPF-1 the emissions that are to be counted toward determining the major source status under the rule are a subset of the total HAP emissions from the source. In each case, this results in the CPF-1 source retaining classification as an area source under the individual rules.

2) As far as we can tell, the Department does not include the procedures of 40 CFR 63.9(b) or 40 CFR 63.5(b)(4) in the “standard language” of the Statements of Basis used in Title V permits. We agree that “if triggered” components are not appropriate for inclusion in a Title V permit (unless requested by the Permittee as an alternate operating scenario), but we do not believe that the discussion that ADEC includes here on the subject is pertinent to the Statement of Basis. Therefore, we request that it be deleted.

Response from ADEC: ADEC acknowledges CPAI's correction of the Kuparuk Central Production Facility #1 (CPF-1) as a major HAP emitting source, and the additional information regarding potential rule applicability as discussed at Comment 3). The revisions requested by the commenter to SOB factual basis discussion of the NESHAPs Applicability Determinations draft permit Condition 69 are both consistent with the major HAP status of this stationary source and other ADEC permits. Except as discussed below, ADEC revised the SOB language as requested under Comment 150), Basis 1. Rather than to state that CPF-1 is a HAP major stationary source, ADEC stated that CPF-1 contains a major HAPs source. ADEC also agrees with the commenter to remove text included in the Draft SOB regarding source reconstruction and notice, as this source now acknowledged as HAP major.

165) Revise the 3rd paragraph of the Factual Basis for Conditions 74 through 75 as follows:

~~"The default assessable emissions are generally potential or projected emissions of each air pollutant in excess of 10 tons per year authorized by the permit (AS 46.14.250(h)(1)(A))."~~

Basis: 1) CPAI believes the statement regarding emissions being assessed for fees if they are equal to or greater than 10 tons per year is no longer true with the advent of GHG emissions documented and authorized by the draft permit.

2) Also, according to AS 46.14.250(h)(1), "assessable emissions" means the lesser of the potential to emit or the projected annual rate of emissions. We believe our proposed changes make this paragraph more closely match the information found in the statute.

Response from ADEC: ADEC revised the Emission Fees SOB discussion consistent with those requested by the commenter to reflect the information found in the AS 46.14.250(h)(1). The language substituted varies slightly from that proposed, but for the same reason as the commenter expressed. ADEC also revised the SOB discussion to correct grammatical errors. These revisions are consistent with other recent revisions to Title V operating permits (e.g., BPXA Flow Station #1, AQ0167TVP02).

166) Delete the last Factual Basis paragraph for Conditions 74 through 75 in its entirety.

~~"The Department modified the standard condition to correct Condition 75.2 such that it referenced "submitted" (i.e., postmarked) rather than "received" in accordance with the timeframe of Condition 75.1."~~

Basis: The Standard Permit Condition updated on 9/27/2010 corrected the issue addressed in the final paragraph of the factual basis. Therefore, this language is no longer applicable.

Response from ADEC: ADEC revised the Emission Fees SOB discussion as requested by the commenter to reflect the Standard Permit Condition updated on 9/27/2010. These revisions are consistent with other recent revisions to Title V operating permits (e.g., BPXA Flow Station #1, AQ0167TVP02).

167) Revise the Legal Basis for Condition 76 as follows:

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.346(b)(5) and applies to all emission units, **except** those subject to Federal emission standards, those subject to continuous emission or parametric monitoring, and for insignificant emission units,

i.e., except EU IDs ~~29, 32, 33, 34, 37, 41, 43, 45, 48, 50, 56, 58, 60, 64, and 65~~ 1 – 14, 16, 30, 35, 36, 42, 46, 47, 51 – 55, and 57 (emission units subject to NSPS) and EU IDs 19 – 28 (if actual emissions from these units are insignificant as defined by 18 AAC 50.326(e)). EU ID(s) 19, 20, 22 – 28, 64, and 65 are subject to the Good Air Pollution Control Practice condition only until the applicable compliance date for NESHAP Subpart ZZZZ as set forth in Condition 55.”

Basis: 1) The list of emission units here is supposed to be the list of units that are NOT subject to the requirements of the State’s standard permit condition for good air pollution control practice. In addition, some of the emission units that the Department has included here are no longer included in the permit.

2) The highlighted statement above is true until May 2013 and reflects the language of PN draft permit Condition 76.

Response from ADEC: ADEC revised the SOB discussion of Good Air Pollution Control Practice revised as requested by the commenter to update and correct for the subject emission units. However, ADEC changed the commenter text regarding insignificant emission units. The EU IDs 19, 20, and 22-28 cannot be IEUs because they are subject to both a source specific limit and a federal standard. Also see related response to Comment 168).

168) Revise the Factual Basis for Condition 76 as follows:

~~“**Factual basis** Basis: The condition requires the Permittee to comply with good air pollution control practices for all units.~~

<Delete carriage return>

The Department adopted this condition under 18 AAC 50.346(b) as Standard operating Permit Condition VI pursuant to AS 46.14.010(e). This condition has been modified in the permit as follows. The Department added the text: “EU ID(s) 19, 20, 22 – 28, 64, and 65 are subject to this condition only until the applicable compliance date as set forth in Condition 55”. On ~~because on~~ the compliance date in Condition 55, EU IDs 19, 20, 22 – 28, 64, and 65 ~~that are~~ subject to NESHAP Subpart ZZZZ standards will no longer be subject to this State GAPCP condition (as units subject to Federal emission standards) and will instead be required to comply with ~~Conditions 55–62~~ Condition 57.1. Records kept in accordance with Condition 76.276 for units previously subject to GAPCP need to be maintained for 5 years in accordance with Condition 9376.2 even if a unit is no longer subject to this State GAPCP condition.

<...>”

Basis: 1) The Legal Basis clearly indicates that the State’s Standard Permit Condition for good air pollution control practice does not apply to certain emission units. The opening sentence of the Factual Basis incorrectly states otherwise and should be deleted.

2) Draft permit Condition 57.1 is the specific good air pollution control practice condition that applies to engines subject to NESHAP Subpart ZZZZ, so it is a more appropriate condition to be referenced than “Conditions 55 – 62”.

3) Please refer to the specific sub-condition that is the basis for the highlighted sentence.

4) The 5-year recordkeeping requirement is stated in draft permit Condition 93, not draft permit Condition 76.2.

Response from ADEC: ADEC revised the SOB discussion of Good Air Pollution Control Practice as requested by the commenter to update and correct for the subject emission units. Also see related response to Comment 167).

169) Delete the last three sentences of the Factual Basis for Condition 78.

“Factual Basis: The condition requires the Permittee to comply with 18 AAC 50.045(d), and take reasonable action to prevent particulate matter (PM) from being emitted into the ambient air. Since the stationary source is not a significant source of fugitive PM emissions, there is no need for enhanced monitoring or recordkeeping. ~~The Permittee has nonetheless requested, and the Department has included, a clarifying monitoring requirement (annual certification that reasonable precautions were taken) be included in Condition 78. The Permittee has also requested the standard condition citation, 18 AAC 50.346(c), not be included in the permit condition. The Department does not agree with this request, as this is an applicable rule citation.”~~

Basis: 1) The annual certification requirement does not constitute “enhanced” monitoring or recordkeeping. Therefore, its inclusion in the condition does not contradict the statement that enhanced MR&R is not necessary and we believe this sentence is not relevant.

2) The second deleted sentence contains a statement that is better suited as a response in a “Response to Comments” document, not in the Statement of Basis. And, since the comments submitted in October 2011 have not been responded to formally by the Department, there is no need to make this statement because we have not included such a request as described by the deleted sentence in these comments.

Response from ADEC: In regards to Comment 155), ADEC notes the commenter submitted prior comments in response to the first public notice of this draft permit. ADEC developed no response to comment document regarding the first draft permit. However, to the extent practicable, ADEC provided comment responses in the second public notice permit’s SOB. Regarding Basis 1) of this comment, ADEC previously agreed with the commenter to include a clarifying monitoring requirement (annual certification that reasonable precautions were taken). Since this is a change made to Standard Permit Condition X – Reasonable Precautions to Prevent Fugitive Dust, ADEC has not eliminated the sentence as requested. ADEC has, however, clarified in the SOB that the annual certification is not considered as enhanced monitoring.

Regarding Basis 2), ADEC agreed to remove the last two sentences of the Reasonable Precautions to Prevent Fugitive Dust. As suggested by the commenter, since the first draft permit did not result in a response to comment document after the close of the public comment period; and since the commenter did not raise the related underlying comment during this second public noticing of the draft permit, the stricken language is removed from the SOB and replicated below to memorialize the comment and ADEC response from the first public notice:

The Permittee has also requested the standard condition citation, 18 AAC 50.346(c), not be included in the permit condition. The Department does not agree with this request, as this is an applicable rule citation.

170) Revise the Legal Basis for Condition 79 as follows:

“Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.045(e) — ~~(f)~~ 50.055(g). It prohibits the Permittee from releasing materials other than process emissions, products of combustion, or materials introduced to control pollutant emissions from a stack (i.e. disposing of material by injecting it into a stack). Stack injection requirements apply to ~~the stationary source because the stationary source contains a stack or emission unit at a stationary source~~ constructed or modified after November 1, 1982.”

Basis: 1) The legal basis for this condition is found in 18 AAC 50.055(g), not in 18 AAC 50.045(e) – (f).

2) The latter edits make the Statement of Basis language better match the language of 18 AAC 50.055(g).

Response from ADEC: ADEC accepted the requested change to more closely reflect the language of 18 AAC 50.055(g).

171) Correct the Alaska Statute (AS) citation in the 2nd paragraph of the Factual Basis for Condition 80.

“ADEC adopted this standard condition into 18 AAC 50.346(a) pursuant to AS 46.14.010(~~de~~). The Department ...”

Response from ADEC: ADEC revised the citation to correct a typographical error. ADEC also made grammatical revisions to the draft permit Condition 80 SOB discussion for clarity. Additionally, the last sentence of the second paragraph of the Condition 80 factual basis SOB discussion was deleted from the SOB discussion because it was redundant. These revisions are consistent with other recent revisions to Title V operating permits (e.g., BPXA Flow Station #1, AQ0167TVP02).

172) Revise the Factual Basis for Condition 94 as follows:

“Factual Basis: This standard condition is required in all operating permits under 18 AAC 50.345(j). ~~It was modified to match the language of 18 AAC 50.345(j) and 50.205.~~

...the condition allows the excess emission reports to be **certified** with the operating report, even though ~~it~~ **they** must still be ...”

Basis: We believe the deleted statement is outdated based on updates that were made to the standard permit condition in 2010.

Response from ADEC: ADEC accepted the change as requested to remove obsolete text and correct the typographical error. ADEC also revised the Legal Basis discussion for draft permit Condition 94 to be consistent with other recently issued Title V permits, including for BPXA Flow Station #1 (AQ0167TVP02).

173) Revise the Legal and Factual Bases for Condition 96 as follows:

“Legal Basis: **This condition requires the Permittee to submit requested information to the Department.** This is a standard condition from 18 AAC 50.345(i) ~~of the state~~ under the federally approved State operating permit program effective November 30, 2001, as amended effective November 9, 2008.

Factual Basis: ~~This condition incorporates a standard condition in regulation. This condition requires the Permittee to submit information requested by the Department. Monitoring consists of receipt of the requested information.~~

Basis: The deleted sentence in the Factual Basis is a repeat of a phrase shown highlighted above found in the Legal Basis for this condition. We have proposed alternative language for the Factual Basis.

Response from ADEC: *ADEC revised the Legal and Factual Bases for draft permit Condition 96 as requested by the commenter to provide for greater clarity.*

174) Revise the Factual Basis for Condition 97 as follows:

Factual Basis: This condition satisfies two ~~state~~ State regulations related to excess emissions ~~through~~ the technology-based emission standard regulation and the excess emission regulation. Although there are some differences between the regulations, the condition satisfies the requirements of each regulation.

The Department adopted this condition as Standard Permit Condition III under 18 AAC 50.346(c) pursuant to AS 46.14.010(e). The Permittee requested that the Department revise Standard Operating Permit Condition III as incorporated into this permit by rearranging the condition to list all requirements for excess emissions reporting separately from the requirements for reporting of permit deviations that are not also classified as excess emissions (e.g., failure to report, incomplete reports, etc.). Since the underlying requirements are unchanged, but are only stated differently, the request to revise the standard permit condition language was granted by the Department. The Department also made an allowance to submit permit deviations not classified as excess emissions within 30 days of the end of the month that the deviation is discovered, or no later than the next Annual Compliance Certification report in Condition 100 since reasonable inquiry should lead to a discovery of any permit deviations. This is logical since a permit deviation cannot be reported absent discovery. The Department has determined that the standard conditions condition adequately meet-meets the requirements of 40 C.F.R. 71.6(a)(3). No additional emission unit or stationary source operational or compliance factors indicate the-that unit-specific or stationary-source-specific conditions would better meet the requirements. Therefore, the Department concludes that the standard condition as modified meets the requirements of 40 C.F.R. 71.6(a)(3).

Basis: This change to the Statement of Basis (or other similar text that ADEC considers more consistent with other language used to document changes to the Standard Operating Permit Conditions when implemented in a permit) is appropriate to document changes CPAI has proposed and requested with respect to draft permit Condition 97.1c and new Conditions 97.1d and 97.1e (included in the RLSO markup of the permit as Conditions 98.1c, 98.1d, and 98.1e) per our Comment 84).

Response from ADEC: *ADEC revised the first paragraph of the factual basis SOB discussion for draft permit Condition 97 as requested by the commenter. However, consistent with the response to Comment 84), ADEC declines the revisions requested in this comment for Condition 97.c (now Condition 97.b), except for the approved request to substitute the word “the” for “that”.*

175) Revise the *Section 14 Notification Form* discussion for Condition 97 as follows:

~~“<insert a carriage return prior to this heading>~~ *Section 14, Notification Form*

The notification form contained in Standard Permit Condition IV meets the requirements of Chapter 50, Air Quality Control. ~~The above notwithstanding, the Permittee requested numerous revisions to standard permit Condition 97. In response, the Department indicates the following: on September 27, 2010, ADEC revised Standard Permit Condition III (SPC III) adopted by reference in 18 AAC~~

~~50.346(b)(2) to clarify the requirements for Excess Emissions and Permit Deviation Reports (EEDP). This revision was the result of working with and in consideration of the comments regarding SPC III received from different industries in Alaska. ADEC believes that the recent revision to SPC III adequately meets the requirements of 18 AAC 50 and the clarification sought for in this reporting requirement. The language revisions suggested by the Permittee add redundant similar language for the permit deviation report, with slight variation from that of excess emissions. Increasing the length and adding exceptions for one type of notice not authorized for the second type of notice will introduce potential for error and falls counter to the efforts the applicant and ADEC have taken to reduce the length of the operating permit. Therefore, the Department has not incorporated revisions suggested by the Permittee.~~

The Department notes one exception to the above. The Permittee requested a footnote be added to Condition 97 to give the CPAI compliance staff some examples of permit deviations that are not excess emissions. The Department agrees with the premise of the footnote, but since it is informational in nature, it is included herein as follows: generally, there has been some historical misunderstandings regarding permit deviations and excess emissions.

Not all permit deviations ...”

Basis: We believe the deleted language is not located in the Statement of Basis at the place that the Department intended. More importantly, this language is better suited for inclusion in the Response to Comments document, not in the Statement of Basis. But, before simply copying this language to the Response to Comments document that ADEC will prepare, we ask that ADEC consider the benefits of our proposed reorganization of PN draft permit Condition 97.

The Department’s justification for not incorporating the permit condition revisions we have proposed is unfounded. We do not agree that we have added redundant language that increases the potential for errors. On the contrary, reorganization of the language makes it easier to comply with because it is easier to understand the required reporting. Such clarifications justify increasing the length of the permit condition a bit. Clarification is much more important than meeting the goal of “reducing the length of the operating permit”. We reiterate the right we have been given by the standard conditions basis language that ADEC has written that allows incorporation of language that better suits our need for clarification, yet does not conflict with the underlying requirements of the standard permit condition as we understand them.

Response from ADEC: *The commenter is correct in that ADEC did not prepare a response to comments document for the initial public notice of the draft permit, thereby resulting in the above referenced responding paragraphs inserted into the SOB. Since the commenter again requested changes to excess emissions condition in Comment 84) and the response to that comment is documented herein, ADEC agrees that the referenced paragraph need not be included in the SOB, and such is removed as requested. However, as stated in the response to Comment 84), ADEC does not agree that the requested revisions to draft permit Condition 97 are necessary to clarify the excess emissions and permit deviation reporting language.*

176) Revise the 2nd Paragraph of the Factual Basis for Condition 98 as follows:

“The Department used the Standard Permit Condition VII as adopted into regulation on August 20, 2008 revised on September 27, 2010. For reporting, MR&R conditions are Standard Permit Condition VII adopted into regulation pursuant to AS 46.14.010(e). The Department has made a modification to Standard Permit Condition VII as incorporated into this permit by allowing quarterly reporting as requested by the Permittee instead of the standard semi-annual operating reports and a change on the

due date for submittal from 30 days to 45 days following the last day of the reporting period. These changes satisfy the requirement for a “stationary source specific” change to the Standard Permit Condition. The Department has determined that the condition included in this permit meets the requirements of 40 C.F.R. 71.6(a)(3). The Department has determined that the standard conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3). No additional emission unit or stationary source operational or compliance factors indicate the unit specific or stationary source specific conditions would better meet the requirements. Therefore, the Department concludes that the standard condition meets the requirements of 40 C.F.R. 71.6(a)(3). The Department deleted the text “The Permittee may, upon consultation with the Compliance Technician regarding software compatibility, provide electronic copies of data reports, emission source test reports, or other records under a cover letter certified in accordance with Departmental submission requirements.” since it duplicates Condition 95. These conditions have been modified to allow for quarterly instead of semi-annually reporting. The quarterly reports are due 45 days after the end of the preceding quarter.”

Basis: We believe the language we propose here, which has been used by the Department in the Statement of Basis of other recently issued North Slope Title V permits, better describes the modification and approval process that has taken place for this condition than does the language that the Department included in the Factual Basis.

Response from ADEC: *ADEC accepted the change as requested and revised the operating reports discussion in the SOB to be consistent with other recently issued Title V permits including for BPXA Flow Station #1 (AQ0167TVP02). The Department further clarified the basis for accepting quarterly reporting with a deadline 45-days after the quarter in exchange for the semi-annual reporting with a deadline 30-days after the quarter.*

177) Revise the 3rd Paragraph of the Factual Basis for Condition 99 as follows:

“The Permittee is required to submit to the Department an original and one copy of an annual compliance certification report. The Permittee may submit one of the required copies electronically at their discretion. This change more adequately Electronic submission meets the requirements of 18 AAC 50 and agency needs, as the Department can allow for more efficiently distribute efficient distribution of the electronic copy certification report to staff in other locations. The Department deleted the text “The Permittee, at their discretion, may submit one copy in electronic format (PDF or other Department compatible image format).” since it duplicates Condition 95.”

Basis: These revisions are intended to improve the language in the given context and to more closely match the version of the language for this condition as found in the Statement of Basis for the BPXA Flow Station #1 Title V permit no. AQ0167TVP02 (Condition 69).

Response from ADEC: *ADEC revised the Annual Compliance Certification discussion in the SOB to be consistent with same SOB discussion in other recently issued Title V permits including for BPXA Flow Station #1 (AQ0167TVP02).*

178) Revise the Legal Basis for Condition 100 as follows:

“The Permittee is required to provide the Federal Administrator and Department a copy of each emission unit report submitted to EPA-for units subject to NSPS ...”

Basis: Our proposed revisions better describe the requirement of this condition and match the language that ADEC has used in the Statements of Basis of other recently issued North Slope Title V permits.

Response from ADEC: ADEC revised the NSPS and NESHAP Reports discussion in the SOB to be consistent with the same discussion in other recently issued Title V permits including for BPXA Flow Station #1 (AQ0167TVP02).

179) Revise the Legal and Factual Basis for Condition 101 as follows:

“Legal Basis: This condition requires the Permittee to submit emissions data to the State to satisfy the Federal requirement that applies to the State to submit emission inventory data from point sources as required under 40 ~~CFR~~ C.F.R. 51.321 (6/10/02). ~~It-The requirement applies to emission units-sources~~ defined as point sources in 40 ~~CFR~~ C.F.R. 51.5020. The State must report all data elements in Table 2A of Appendix A to Subpart A of 40 ~~CFR~~ C.F.R. 51 to EPA (73 FR 76556).”

Factual Basis: The Department has incorporated Standard Permit Conditions XV and XVI as adopted by regulation on September 27, 2010. The Department adopted these conditions under 18 AAC 50.346(b) pursuant to AS 46.14.010(e). The emission inventory data is due to EPA 12 months after the end of the reporting year (40 ~~CFR~~ C.F.R. 51.30(a)(1) and (b)(1), 12/17/08). A due date of March 31 corresponds with sources reporting actual emissions for assessable emissions purposes and provides the Department sufficient time to enter the data into EPA’s electronic reporting system.

The air emissions reporting requirements under 40 ~~CFR~~ C.F.R. Part 51 Subpart A apply to States; however, States rely on information provided by point sources to meet the reporting requirements of Part 51 Subpart A. ~~In the past, the Department has made information requests to point sources, to which the point source is obligated to reply under 18 AAC 50.200. The information requests occur on a routine basis as established by Part 51 Subpart A and consume significant staff resources. To increase governmental efficiency and reduce costs associated with information requests that occur on a routine basis, it has been determined that a standard permit condition best fulfills the need to gather the information needed to satisfy the requirements of Subpart A of 40 CFR 51.~~

<...>”

Basis: 1) We have requested revisions to the Legal Basis with the intention of adding clarity to the basis, particularly on the point that this condition fulfills a Federal requirement that applies to the State.

2) We have corrected a typographical error in a reference to 40 CFR 51.50.

3) CPAI believes it is important to document the incorporation of Standard Permit Conditions XV and XVI in a manner similar to how ADEC has done for other permit conditions in the Statement of Basis.

4) The statement found in the second paragraph of the Factual Basis regarding the Permittee’s obligation to reply under 18 AAC 50.200 is a bit of a stretch. 18 AAC 50.200 applies to requests “by the Department to determine compliance with AS 46.03, AS 46.14, and this chapter”. We do not believe that the emissions inventory reporting required by EPA that applies to the States is pertinent to compliance by the Permittee with any applicable rules.

5) The text that makes up the last five lines of the second paragraph of the Factual Basis is editorial commenting by ADEC. This text was carried into the standard Statement of Basis language for SPC XV by ADEC from the response to comments that was prepared and included with the June 28, 2010 proposed rule changes. We do not believe that this editorial text is appropriate for inclusion with the Statement of Basis for the condition, so we request that it be deleted.

Response from ADEC: Except for the assertions regarding 18 AAC 50.200 and the emissions inventory, ADEC agrees with the commenter. Although the edited text comes from the Statement of Basis for Standard Permit Condition XV, ADEC has made the revisions requested in this comment for clarity as well revised the discussion to correct typographical errors.

In Comment 179) Item 4), the commenter questioned the statement regarding a Permittee's obligation to comply. As the SOB text comes from the Standard Permit Condition SOB language that underwent formal rulemaking, the issue is not timely. Regarding 18 AAC 50.200, this regulation was adopted under AS 46.14.020 as well as the other authorities therein listed. AS 46.14.020 grants broad authority for Department information requests, and is the basis for source information collection to satisfy the State obligation to collect and report point source information to EPA through the national emissions inventory process.

In Comment 179)Item 5), the commenter questioned whether text perceived as editorial appropriately belongs in the SOB. That text comes from the SOB text developed for this standard permit condition. Therefore, ADEC retained the SOB text.

- 180) Correct the rule citation at the beginning of the **2nd sentence in the Legal Basis for Conditions 102 through 105** from "40 C.F.R. 71.6(a)(10)" to "40 C.F.R. 71.6(a)(8)". This error is a holdover from older versions of the ADEC Title V permit template.

Response from ADEC: ADEC accepted the requested changed to the legal basis for draft Conditions 102 through 105 to correct the rule citation.

- 181) Revise the Header for Conditions 107 through 110 as follows:

"Conditions 107 through ~~111~~110 , ..."

Basis: There is a cross-reference correction here that is difficult to detect due to the condition numbering change that has occurred in this RLSO markup of the permit. The draft permit refers to draft Condition 110, but should instead refer to draft Condition 111, which becomes Condition 112 as shown in the RLSO markup of the permit that accompanies these edits.

Response from ADEC: The condition cross-referencing for the General Compliance Requirements and Schedule draft Conditions 107 through 111 has been revised as requested to correct a typographical error. ADEC also revised the SOB discussion to be consistent with other recently issued Title V permits including that for BPXA Flow Station #1 (AQ0167TVP02).

- 182) Revise the Factual Basis for Conditions 112 through 113 as follows:

"Table G of Operating Permit No. AQ0267TVP02 shows the permit shield that the Department granted to the Permittee. Should any of the shielded requirements become applicable during the permit term, the Permittee is required to take necessary steps to comply with all applicable requirements in a timely manner. The following table shows the requests that were denied and the reasons that they were denied. The Department based the determinations on the permit application, past operating permit, likelihood for the source to become subject during the life of the permit, Title I permits and inspection reports."

Basis: Permit shield determinations are to be made based on the status of the emission units and source at the time a permit is issued. We believe the point of including draft permit Condition 113 in the permit is to clearly address this. It states that “Table G identifies the emission units that are not subject to the specified requirements at the time of permit issuance.” (emphasis added) This condition continues by stating what the Permittee is required to do “if any requirements listed in Table G becomes applicable during the permit term”, including completion of an application to revise the operating permit. Such an application would include removing from the permit shield any requirements that have become applicable to the source or an emission unit. Therefore, we assert that it is inappropriate and unnecessary to deny a permit shield based on the likelihood that the source may become subject to a rule during the life of the permit or the likelihood of possible future source modifications that might make a rule apply to a source or emission unit after the permit is issued.

Response from ADEC: All requested changes have been accepted by ADEC for clarity. The last clause was removed consistent with ADEC’s response to Comment 183) below.

183) Delete **Table Q** in its entirety. Based on the comments we have provided below and in our previous comment regarding the content of Table Q, we believe there is no basis for including this table.

Basis: 1) Regarding the “Gas-fired Heaters (E-CL06-A & B, H-P101-A & B); Drill Site Heaters (H-1L01 & 1M01); Diesel-Fired Equipment (P-205); and Storage Tank (T-179) All Requirements” row: the Department has not “denied” these permit shields because we did not request them in our permit renewal application.

2) Regarding the “Storage Tanks: T-176, T-1009, and T-CL03 NSPS Subpart Kb” row: it is inappropriate and unnecessary to deny a permit shield based on the likelihood that the source may become subject to a rule during the life of the permit or the likelihood of possible future source modifications that might make a rule apply to a source or emission unit after the permit is issued.

3) Regarding the “Storage Tanks T-1A01, T-1E01, T-1L01, T-1F1901, T-1G01, T-1Q01, T-1R01, and T-1Y01 NSPS Subpart Ka” row: see our Basis #2) above and our Basis #2) in Comment 93).

4) Regarding the “Engines EU IDs 19 and 20, NSPS Subpart ZZZZ” row: The Department has not “denied” this permit shield because we did not request it. Our permit shield requests pertaining to 40 CFR 63 Subpart ZZZZ were updated when we provided supplemental permit renewal application information to the Department in 2010 on this topic.

In addition, it is up to CPAI to operate these engines as we have decided to classify them under the rule. If the engines exceed the 100 hour per calendar year operating time threshold, their classification would change and the applicable requirements of Subpart ZZZZ would change. Either way, the engines are not fully shielded from Subpart ZZZZ and we did not request that ADEC include such a shield.

5) Regarding the “Storage Tanks T-201, G1-19501, G1-19502, G1-19503, and G1-19504 Subpart Ka” row: it is inappropriate and unnecessary to deny a permit shield based on the likelihood that the source may become subject to a rule during the life of the permit or the likelihood of possible future source modifications that might make a rule apply to a source or emission unit after the permit is issued.

6) Regarding the “Stationary Source-Wide 18 AAC 50.045(c)” row: The Department has not “denied” these permit shields because we did not request them in our permit renewal application.

***Response from ADEC:** Table Q has been deleted as the permit shields discussed above have been addressed in response to Comment 93). In addition the permit shield denial for flares was deleted because it has been inadvertently carried forward from initial Title V Operating Permit No. AQ0267TVP01 SOB. Consistent with the response to Comment 93), ADEC has added the permit shields for Storage Tanks: T-176, T-1009, and T-CL03 under NSPS Subpart Kb, Storage Tanks T-1A01, T-1E01, T-1L01, T-1F1901, T-1G01, T-1Q01, T-1R01, and T-1Y01 under NSPS Subpart Ka, or Storage Tanks T-201, G1-19501, G1-19502, G1-19503, and G1-19504 Subpart Ka.*

- 184) Revise **Attachment A** by changing the term “source” to “emission unit” everywhere the term is used in this attachment (there are three occurrences) in order to maintain consistent use of the term throughout the permit and Statement of Basis. (Note: these requested edits are not shown in the RLSO markup of the Statement of Basis that accompanies these edits because we were unable to edit Attachment A in the format used to insert it into the document.

***Response from ADEC:** ADEC revised the Attachment A as requested for consistency.*

Additional changes made by ADEC:

- Fixed typographical error—Chevron U.S.A. Inc mailing address and updated billing contact.
- Condition 3.1(a)(ii) and 15.2—ADEC corrected the monitoring deadlines consistent with the Standard Permit Condition IX 3.1(a)(ii) and 15.2, and with the public notice statement of basis.
- Draft permit Condition 8 was revised as follows:
Incinerator Particulate Matter Emissions. Particulate matter emissions from EU ID 35 may not exceed 0.15 grains per cubic foot of exhaust gas corrected to 12 percent CO₂ and ~~Standard Conditions~~ standard conditions, averaged over three hours.
- Draft Condition 16—updated footnotes 4 and 5 to remove CFR effective date as it is redundant and inconsistent with the preamble’s effective date.
- Draft permit Condition 17.6(d) was removed as redundant with Condition 17.b(ii) clauses pertaining to substitution of test data from other turbines.
- Draft permit Condition 23.2 was revised as follows:
Monitoring. Monitor and record according to ~~Condition~~ Conditions 16.5a and 16.5b.
- Draft permit Condition 25.1 was revised as follows:
Monitor and record the monthly hours of operation and the consecutive twelve-month period summation for each of EU IDs 19, 20, 22 - 28.
- Added a footnote to Condition 25 to indicate that EU ID 21 was removed from the equipment inventory.
- The word “Condition” was revised to “Conditions” in draft permit Conditions 30 and 30.5.
- The word “Condition” was revised to “Conditions” in draft permit Condition 37.
- Draft permit Condition 37.1 was revised as follows:
...“**unless** the EEMSP report described in Condition 36 is requested by the Administrator, or”...
- Draft permit Condition 38 was revised as follows:
...”The Permittee shall conduct source tests according to the applicable requirements of §40 C.F.R. 60.8”...
- Draft permit Condition 47 was revised to require dual-fuel turbine units to conduct emission tests if operations with a specific fuel type exceeds 400 hours in a 12-month period.
- Draft permit Condition 48 was revised as follows:

NSPS Subpart GG Sulfur Standard. The Permittee shall not allow the sulfur content of the fuel burned in EU IDs 1 - 14 to exceed 0.8 percent by weight.

[18 AAC 50.040(a)(2)(V)]
~~[40 C.F.R. 60.333-60.335, Subpart GG]~~
[40 C.F.R. 60.333(b), Subpart GG]

- Draft permit Condition 48.1a(iv) was revised as follows:
use readings from the KUTP continuous emissions monitoring system (CEMS) which monitors CPF-1 plant fuel gas under Condition 48.1; or
- The Department also revised the word “Condition” to “Conditions” in draft permit in Condition 49.4a as well as globally, wherever encountered.
- Added NESHAPS Subpart FF reporting requirement (new Condition 59) and SOB text.
- Reformatted the NESHAPS Subpart CCCCCC section headers in Conditions 67-69 in order to better match the organization of the remainder of the permit and to shorten unneeded extra lines.
- The citation following draft permit Condition 70 was revised as follows:
[18 AAC 50.326(j)(3), 50.345(a) & (e)]
- The word “Part” was revised to “Parts” draft permit operational flexibility Condition 105 (new Condition 108).
- The citation following draft permit Condition 108 (new Condition 111) was revised as follows:
[18 AAC 50.040(j), 50.326(j) & 50.345(a) & (c)]
- Under the basis for requiring an operating permit section of the SOB, the following revision was made:
...
(b) A major source as defined in Section 112 of the Clean Air Act that emits or has the potential to emit considering controls, in the aggregate, 10 tons per year or more of any hazardous air pollutant or 25 tons per year or more of any combination of hazardous air pollutants

(c) ~~A stationary source subject to Federal new source performance standards or national emission standards; A stationary source including an area source subject to Federal new source performance standards under Section 111 of the Clean Air Act or national emission standards under Section 112 of the Clean Air Act~~
(d) Contains a source, including an area source, subject to a standard or other requirement under Section 112 of the Act (National Emission Standards for Hazardous Air Pollutants, NESHAP) not exempted or deferred under AS 46.14.120(e) or (f);
- (e) Contains a source, including an existing or newly constructed GHG emission source, that ~~emit or have that emits or has~~ a PTE equal to or greater than 100,000 TPY of CO₂e and 100 TPY GHGs on a mass basis. Condition 17 and 18 factual basis—Added text to discuss the rationale for reinstating the EPA BACT notes added to Tables C and D.
- In the SOB factual basis for Condition 33: ADEC corrected the statement regarding listing IEUs in the permit. Although generally, ADEC does not list IEUs in the permit as allowed under 40 CFR 71.6-permit content, at times, listing an IEU in the permit’s list of activities clarifies that ADEC and the applicant considered and evaluated that unit through the application process as an IEU rather than a newly discovered device during an inspection or investigation.

- Condition 19--Table E the Department added a table note that the short term limit applies at full load, standard conditions. Consistent with the table, note, the Department requires PM testing at full loads. The Department further removed redundant visible emissions reporting in Condition 19.6.
- In the SOB on page 131 ADEC corrected the NSPS Subpart A Requirements header to read Conditions 34 – 43.
- Under the discussion of draft permit Conditions 46, NSPS Subpart Ka Requirements in the SOB the following revision was made:
Factual Basis: If the true vapor pressure of the liquid stored within a tank is maintained below 1.0 psia, then there are no operational monitoring requirements. If the true vapor pressure is maintained below 1.5 psia, then there are no applicable equipment standards. If these ~~conditions are met~~ thresholds are not exceeded, then there are no applicable requirements other than those found in 40 C.F.R. 60, Subpart A. Otherwise, MR&R for Subpart Ka tanks are as provided in this condition.
- Under the discussion of draft permit Conditions 53 (now 56), NESHAP Subpart E National Emission Standard for Mercury in the SOB the following revision was made:
Factual Basis: The condition requires the Permittee to comply with the mercury emission standard provided in 40 C.F.R. 61.52(b) for sludge incinerators. The Permittee obtained an EPA approved waiver for stack and sludge mercury sampling and monitoring on October 16, 1997 from Bonnie ~~The~~Thie with EPA Region X. ~~No changes~~ Changes shall must not be made in the operation of EU IDs 35 or 36 which would potentially increase emissions above the levels estimated to support the waiver granted by EPA under 40 C.F.R. 61.13 without first providing new estimates to EPA per 40 C.F.R. 61.53(d)(4) and 61.54(e).
- Under the discussion of draft permit Conditions 71 through 73 (now 73 through 75), Standard Terms and Conditions in the SOB the following revision was made:
Legal Basis: These are standard conditions required under 18 AAC 50.345(a) and (e)-(g) for all operating permits. This provision is incorporated in the federally approved Alaska State operating permit program of effective November 30, 2001, as updated effective November 9, 2008
- Under the discussion of draft permit Conditions 74 (now 76), Administration Fees in the SOB the following revision was made:
Legal basisBasis: This condition ensures compliance with the applicable requirement in 18 AAC 50.400-405 as derived from AS 46.14.130. This condition requires...
- Under the discussion of draft permit Condition 84 (now 86), Requested Source Tests in the SOB the following revision was made:
Legal Basis: The Permittee is required to conduct source tests as requested by the Department. The Department adopted this condition under 18 AAC 50.345(k) as part of ~~its~~ the federally approved State operating permit program ~~approved by EPA~~ effective November 30, 2001, as updated effective November 9, 2008.
- Under the discussion of draft permit Conditions 84 through 86 (now 87 through 89), Operating Conditions, Reference Test Methods, Excess Air Requirements in the SOB the following revision was made:
Legal Basis: These conditions ensure compliance with the applicable requirement in 18 AAC 50.220(b) and apply because the Permittee is required by this permit to conduct source tests ~~by this permit~~. The Permittee is required to conduct source tests ~~as tests in the manner~~ set out in Conditions 8584 through 8786.

Factual Basis: These conditions supplement the specific monitoring requirements stated elsewhere in this permit. Compliance monitoring with Conditions ~~8584~~ through ~~8786~~ consist consists of the test reports required by Condition ~~9294~~.

- Under the discussion of draft permit Condition 87 (now 90), Test Exemption in the SOB the following revision was made:

Factual Basis: As provided in 18 AAC 50.345(a), ~~amended November 9, 2008~~, the requirements for test plans, notifications and reports do not apply to visible emissions observations by smoke readers, except in connection with required particulate matter testing.

- Under the discussion of draft permit Conditions 88 through 91 (now 91 through 94), Test Deadline Extension, Test Plans, Notifications and Reports in the SOB the following revision was made:

Legal Basis: These conditions ensure compliance with the applicable requirement in 18 AAC 50.345(l)-(o) and apply because the Permittee is required by this permit to conduct source ~~tests~~ test by this permit.

Factual Basis: Standard Conditions 18 AAC 50.345(l) - (o) are incorporated ~~-through~~ these conditions. These standard conditions supplement specific monitoring requirements stated elsewhere in this permit. The source test itself monitors compliance with ~~this condition~~ these conditions.

- Under the discussion of draft permit Conditions 102 through 105 (now 105 through 108), Test Deadline Extension, Test Plans, Notifications and Reports in the SOB the following revision was made:

Legal Basis: The Permittee is obligated to notify the Department of certain off-permit source changes and operational changes under 18 AAC 50.326(j)(4), 40 C.F.R. 71.6(a)(~~108~~), (12), and (13) incorporated by reference under 18 AAC 50.040(j) require these provisions within this permit. 40 C.F.R. 70 Appendix A documents that EPA fully approved the Alaska operating permit program effective November 30, 2001.

Factual Basis: These ~~are~~ conditions are required in 40 C.F.R. 71.6 for all operating permits to allow changes within a permitted stationary source without requiring a permit revision. The Permittee did not request trading of emission increases and decreases as described in 71.6(a)(13)(iii); therefore, language addressing these provisions has not been included in this permit.

- For clarification, Revision 2 was added to AQ0267TVP01 where appropriate throughout the document.

Changes due to the incorporation of Minor Permit No. AQ 0267MSS05 for the Cutting ReInjection Module at CPF1 DS1B to inject processed slurries into permitted wells.

- Included EU IDs 68a through 68d into Table A.
- Added Table 1 notes from AQ0267MSS05 to Table A notes as notes 5 & 6. Now reads:
Note 5. Emission Units 68a through 68d are operated using high line power
Note 6. tph – Ton per hour
- Condition 1. Added EU IDs 68a through 68d
- Condition 1. Citation – added
[Minor Permit No. AQ0267MSS05 Condition 3, 08/05/2013]
- Condition 1.5. Added EU IDs 68a through 68d
- Condition 7. Added EU IDs 68a through 68d

- Condition 7. Citation – added
[Minor Permit No. AQ0267MSS05 Condition 4, 08/05/2013]

- Condition 7.5. Added EU IDs 68a through 68d
- New Heading before Condition 33 Rock Crusher
- New Condition 33:

Condition 33. Installation and Operation Authorization. The Permittee is authorized to install and operate Emission Units 68a through 68d as listed in Table A. Except as noted elsewhere in this permit, the information in Table A is for identification purposes only. The specific unit descriptions do not restrict the Permittee from replacing an emission unit identified in Table A. The Permittee shall comply with all applicable provisions of AS 46.14 and 18 AAC 50 when installing a replacement emission unit, including any applicable minor or construction permit requirements.

- New Condition 33 Citation added:
[Minor Permit No. AQ0267MSS05 Condition 3, 08/05/2013]

- Condition 76. Added EU IDs 68a through 68d
- Condition 76. New Citation – added

[Minor Permit No. AQ0267MSS05 Condition 2, 08/05/2013]

- ADEC made the following changes to Condition 78: Inserted corrected Fugitive Dust condition requirements from Department Standard Permit Condition X because the source contains two incinerators.
- Condition 78: Inserted Condition 5 from AQ0267MSS05.

SOB changes due to AQ0267MSS05

- Added Minor Permit No. AQ0267MSS05 information to Title I (Construction and Minor) Permits section
- Added Table 1 EU ID information to Table J
- Inserted Table P Comparison of Minor Source Specific Permit No. AQ0267MSS05 Conditions to Operating Permit No. AQ0267TVP02 Conditions with footnote 42.
- Table P in public notice permit is now Table Q
- Condition 1-5, and 14 Factual Basis - Added EU IDs 68a through 68d in the Insignificant Emission Units paragraph.
- Condition 7-9, and 15 Factual Basis - Added EU IDs 68a through 68d in the Insignificant Emission Units paragraph. Also added a note at the end of the factual basis describing why particulate emissions are low.
- Condition 33, Legal and Factual Basis now reads:

Condition 33, Drill Site 1B Cutting Injection Module Installation and Operation Authorization

Legal Basis: The Permittee is required to meet currently applicable minor permit terms and conditions. The Department issued AQ0267MSS05 on August 5, 2013 to authorize a cutting injection module at Drill Site 1B.

Factual Basis: This condition reiterates Minor Permit Condition 1 which authorizes installation and operation. No additional elements are required for this condition under 40 CFR 71.6 to comply with the operating permit program.

- Condition 76, Good Air Pollution Control Practice: Added EU IDs 68a through 68d
- Condition 78, Reasonable Precautions to Prevent Fugitive Dust Factual Basis, added new paragraph at end which now reads

For EU ID's 68a through 68d, the Permittee shall perform all material processing under wet, saturated conditions in an enclosed space without exhaust ports.